

6699. Also, petitions of the Merchants' Association of Joliet, Ill., and of the Society of Art Connoisseurs, of Chicago, Ill., for 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

6700. By Mr. KAHN: Petition of the San Francisco Chamber of Commerce Military Affairs Committee, urging an increase of the standing Army of the United States to 150,000 enlisted men and 13,000 officers, an ample appropriation for training camps, and an adequate western air service; to the Committee on Military Affairs.

6701. By Mr. LEA of California: Petition of 22 residents of California, to abolish the tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6702. By Mr. LINTHICUM: Petition of C. S. Longacre Religious Liberty Association, Takoma Park, Washington, D. C., presenting list of 608 citizens of Baltimore protesting against Sunday bills pending in Congress for the District of Columbia; to the Committee on the District of Columbia.

6703. Also, petition of John J. Greer & Co. and John S. McDaniel & Co., Baltimore, favoring bill providing for 1-cent drop-letter rate; to the Committee on the Post Office and Post Roads.

6704. Also, petition of Harry H. Mahool & Co., Baltimore, opposing House bill 10427; to the Committee on the Merchant Marine and Fisheries.

6705. Also, petition of Jack Burger, Baltimore, opposing Denison bill; to the Committee on Interstate and Foreign Commerce.

6706. Also, petition of Wilton Snowden, jr., Baltimore, favoring passage of House bill 12207; to the Committee on Ways and Means.

6707. By Mr. McARTHUR: Petition of William G. Cox and other citizens of Oregon, protesting against the passage of House bill 9753; to the Committee on the District of Columbia.

6708. By Mr. MANSFIELD: Petition of the Texas Wholesale Fruit and Produce Dealers' Association, in favor of 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

6709. By Mr. PERKINS: Petition of L. M. Morford and others, Newton, N. J., to abolish discriminatory tax on small-arms ammunition and firearms (sec. 900, par. 7, internal revenue bill); to the Committee on Ways and Means.

6710. Also, petition of H. E. Wells and others, Sussex, N. J., to abolish discriminatory tax on small-arms ammunition and firearms (sec. 900, par. 7, internal revenue bill); to the Committee on Ways and Means.

6711. Also, petition of T. L. Riggin and others, Haskell, N. J., to abolish discriminatory tax on small-arms ammunition and firearms (sec. 900, par. 7, internal revenue bill); to the Committee on Ways and Means.

6712. By Mr. WINSLOW: Petition of the Congregational Woman's Home Missionary Federation, New York, N. Y., relative to the Near East situation; to the Committee on Foreign Affairs.

## SENATE.

SATURDAY, December 30, 1922.

(Legislative day of Wednesday, December 27, 1922.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Fernald	McCumber	Sheppard
Borah	France	McKellar	Smoot
Brandegee	Gerry	McKinley	Spencer
Brookhart	Hale	McNary	Stanfield
Bursum	Harrell	Moses	Sterling
Cameron	Harris	Nelson	Sutherland
Capper	Heflin	New	Townsend
Caraway	Johnson	Nicholson	Trammell
Colt	Jones, Wash.	Norris	Underwood
Culberson	Kellogg	Oddie	Walsh, Mont.
Cummins	Keyes	Page	Warren
Curtis	King	Philpps	Watson
Dial	Ladd	Poindexter	Williams
Dillingham	La Follette	Pomerene	
Ernst	Lenroot	Reed, Mo.	

Mr. CURTIS. I wish to announce that the Senator from Ohio [Mr. WILLIS] is absent, due to illness in his family.

I also wish to announce that the Senator from Illinois [Mr. McCORMICK] is detained on official business.

Mr. GERRY. I wish to announce that the Senator from Kentucky [Mr. STANLEY] is necessarily absent on account of a death in his family.

Mr. PAGE. I was requested to state that the Committee on Banking and Currency is holding a very important hearing, at which three members of the Cabinet are present, and that if necessary to constitute a quorum the members of the committee will come to the Chamber; otherwise they ask to be excused.

The VICE PRESIDENT. Fifty-eight Senators have answered to their names. A quorum is present.

### EXCESS EARNINGS OF RAILROADS.

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Interstate Commerce Commission, transmitting, pursuant to Senate Resolution 379, submitted by Mr. CAPPER and agreed to December 15, 1922, information relative to the determination and recovery of excess railway operating income, etc., which was referred to the Committee on Interstate Commerce.

### MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

H. R. 13180. An act making appropriations for the Treasury Department for the fiscal year ending June 30, 1924, and for other purposes;

H. R. 13316. An act making appropriations for the Departments of Commerce and Labor for the fiscal year ending June 30, 1924, and for other purposes; and

H. R. 13232. An act making appropriations for the Departments of State and Justice and for the judiciary for the fiscal year ending June 30, 1924, and for other purposes.

### PETITIONS AND MEMORIALS.

Mr. PHIPPS presented resolutions adopted by Henry W. Lawton Camp, United Spanish War Veterans, Department of Colorado and Wyoming, protesting against the action of the Board of Review, Bureau of Pensions, in rejecting claims filed under the act of June 5, 1920, for pensions on account of disability, which were referred to the Committee on Pensions.

Mr. NELSON presented, in the nature of a memorial, a letter from the Federal Cartridge Corporation, of Minneapolis, Minn., remonstrating against the discriminatory tax in existing law upon small-arms ammunition, which was referred to the Committee on Finance.

Mr. WARREN presented resolutions of the board of directors of the Cokeville (Wyo.) National Farm Loan Association, favoring the enactment of legislation amending certain sections of the Federal farm loan act, especially relative to the present loan limit, which were referred to the Committee on Banking and Currency.

Mr. LADD presented a petition of sundry citizens of Jamestown, N. Dak., praying for the enactment of legislation repealing the discriminatory tax on small-arms ammunition and firearms, which was referred to the Committee on Finance.

### ENROLLED BILL PRESENTED.

Mr. SUTHERLAND, from the Committee on Enrolled Bills, reported that on December 29, 1922, they presented to the President of the United States the enrolled bill (S. 3295) to consolidate the work of collecting, compiling, and publishing statistics of the foreign commerce of the United States in the Department of Commerce.

### BILLS AND A JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILLIAMS:

A bill (S. 4249) to amend an act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920; to the Committee on Civil Service.

By Mr. CAPPER:

A bill (S. 4250) for the relief of Frank P. Trott; to the Committee on Claims.

By Mr. WALSH of Montana:

A bill (S. 4251) for the disposition of refractory lands on the Huntley irrigation project, in the State of Montana; to the Committee on Irrigation and Reclamation.

By Mr. WATSON:

A bill (S. 4252) providing for a commissioned status to sanitary engineers in the Public Health Service of the United States; to the Committee on Finance.

By Mr. WALSH of Montana:

A joint resolution (S. J. Res. 262) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

TRANSACTIONS OF EMERGENCY FLEET CORPORATION.

Mr. KING. Mr. President, I send to the desk a resolution asking for certain information from the Shipping Board, which I ask to have printed and lie upon the table.

The resolution (S. Res. 388) was ordered to lie on the table, as follows:

*Resolved*, That the Shipping Board is hereby directed to report to the Senate the names of all officers and employees of the Emergency Fleet Corporation, together with a statement of the salary or compensation which is paid to each of them; a list of all persons who have received passes or gratuitous transportation on vessels operated by or for the account of the Emergency Fleet Corporation, with particulars as to the voyages made by such persons and the relations such persons have to the Shipping Board or to any of its officers or employees, together with a statement of the regular passage fares which would have been charged for such voyages; a statement of all charter parties, general or special, entered into for or on behalf of the Emergency Fleet Corporation or the Shipping Board since January 1, 1920, with particulars as to the vessels covered by such charter parties, the voyages made, cargo tons carried inbound and outbound, the amount of revenues received and the expense accounts allowed, together with a statement of all allowances for entertainments and the cost of any intoxicating liquors, and of all amounts of money paid under such charter parties, and to whom paid; a statement of all moneys which had been paid at any time for advertising publicity or propaganda; and a statement containing a complete list of all the vessels at any time owned or controlled by the Emergency Fleet Corporation, the gross tonnage of every such vessel, the date of acquisition of every such vessel, the parties from whom such vessels were acquired, whether by contract for construction, requisition, or seizure, the amount of money paid for every such vessel, the amount of money spent upon every such vessel since acquisition, the disposition of every such vessel, and if sold or transferred, the amount of money received by the Shipping Board for such vessel, and a statement of the present status of every such vessel, giving its location and the use or service, if any, to which such vessel is subjected.

MERGER AND ORGANIZATION OF MEAT-PACKING CORPORATIONS.

Mr. NORRIS. Mr. President, I ask unanimous consent to introduce a Senate resolution. I desire to have it read and then referred to the Committee on Agriculture and Forestry.

The resolution (S. Res. 389) was read and referred to the Committee on Agriculture and Forestry, as follows:

Whereas it is currently reported in the public press that Armour & Co., one of the five largest meat-packing corporations in the world, is forming a corporation under the laws of the State of Delaware with a capital stock of \$160,000,000, with the announced purpose of taking over the interests of said corporation in Chicago, Ill., and elsewhere; and

Whereas it is common knowledge that negotiations have been pending for some time between said Armour & Co. and Morris & Co., another one of the five largest meat-packing establishments in the world, with the avowed purpose of the merging of said meat-packing corporations under the name of Armour & Co.; and

Whereas it is currently reported in the public press that the total amount of stocks and bonds to be issued upon the combining of said corporations is very materially in excess of the amount of property involved; and

Whereas the carrying out of such proposed merger of two of the largest packing establishments in the world is liable to be detrimental to the public interests and to unlawfully restrain trade (1) in that such merger will tend further to limit the number of large purchasers of live stock from farmers and producers, and (2) will very materially reduce competition in the production of meats and packing-house products and thereby tend to increase the cost of living to the consumers of the country; Therefore be it

*Resolved*, That the Federal Trade Commission be, and it is hereby, directed to make a full and complete investigation of the organization of said proposed corporation under the laws of the State of Delaware, and also of the proposed merger of the said two corporations, and report to the Senate whether the organization of said corporation and the combining of said corporations are in violation of law and to what extent, if any, the carrying out of such merger will tend to eliminate competition in the purchase of live stock and to increase the cost of living to the consumers.

RETAIL PRICE OF SHOES.

Mr. SMOOT. Mr. President, at the request of George M. Spangler, secretary-commissioner of the National Shoe Retailers' Association of the United States of America (Inc.), I ask that this letter addressed to me, dated December 21, 1922, be printed in the RECORD without reading.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL SHOE RETAILERS' ASSOCIATION OF  
THE UNITED STATES OF AMERICA (INC.),  
Chicago, December 21, 1922.

HON. REED SMOOT,  
Senator from Utah, Washington, D. C.

MY DEAR SIR: Our attention has been called to an article appearing in the Denver Post of December 17, 1922, in which you are quoted as stating that you bought a pair of shoes for Mrs. Smoot for which you paid \$17, and that in a Salt Lake City hotel you were told by a traveling shoe salesman that these identical shoes sold for \$5.75 all over the United States.

The National Shoe Retailers' Association, by virtue of its direct and constant contact with shoe retailers throughout this country, definitely knows that whoever told you that these shoes retailing for \$17 could be purchased for \$5.75 told you a positive falsehood, because we know that such conditions do not and could not exist.

Now, as an individual, certainly you are at perfect liberty to be convinced on insufficient proof or say so, but in your official capacity it does seem that a United States Senator should be certain of his ground before he voices such a statement.

We would like to ask you for the name of whoever vouched for the statement you have made, which statement carries such a gross injustice to the shoe-retailing industry of our country.

During January, February, and March of 1922, in conjunction with the Joint Commission of Agricultural Inquiry, Hon. SYDNEY ANDERSON, chairman, the National Shoe Retailers' Association, made an exhaustive inquiry, country wide, embracing shoe stores, large and small, as to costs, turnover, and profits, and the results of that exhaustive inquiry are now a matter of record, tabulated over a period of seven years, arranged according to Federal trade districts, established by percentages, and accepted by Congress. These figures show that the average net profit over a period of seven years is 6.17 per cent.

We know through facts and provable figures that the retail shoe dealer of the United States is not a profiteer and we have so proved to the Joint Commission of Agricultural Inquiry, have been given a clean bill of health from that unjust charge, and it is certainly a gross injustice to have one of your standing and in your official capacity to publicly voice such an erroneous statement.

Very truly yours,

GEORGE M. SPANGLER, Secretary.

NAVAL APPROPRIATIONS.

Mr. POINDEXTER. Mr. President, I ask that the Senate proceed with the consideration of the naval appropriation bill.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13374) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1924, and for other purposes.

The VICE PRESIDENT. The pending question is on the amendment offered by the Senator from Tennessee [Mr. McKellar], which will be read.

The READING CLERK. On page 9 it is proposed to strike out lines 1 to 5, inclusive, in the following words:

OFFICE OF NAVAL INTELLIGENCE.

For employees in the Office of Naval Intelligence, \$30,000: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding \$1,800 per annum except two persons at \$2,000 each.

The amendment was rejected.

Mr. POINDEXTER. In this connection I ask to have printed in the RECORD upon the subject of the amendment a letter from the Assistant Secretary of the Navy.

The VICE PRESIDENT. Without objection the letter will be received and printed.

The letter is as follows:

NAVY DEPARTMENT,  
ASSISTANT SECRETARY'S OFFICE,  
Washington, December 28, 1922.

MY DEAR SENATOR: The Office of Naval Intelligence is primarily charged with the functions enumerated below. I have divided them into peace and war-time activities, because you can see that necessarily war conditions would engender situations which would have to be met in a different manner.

PEACE-TIME ACTIVITIES.

Collection and classification of information from abroad and at home for the use of the Navy Department in peace and in war.

Publication and dissemination of such information for use of Government officials requiring it.

Direction of the Navy Department library and historical section.

Direction of all United States naval attachés abroad.

Official channel of communication with all foreign naval attachés in the United States.

Direction of naval missions of an educational character in foreign countries.

Direction of the intelligence officers attached to ships and stations.

Maintenance of close touch of all naval activities both in and out of the Navy Department.

WAR-TIME ACTIVITIES.

In time of war these duties are extended to the assistance of other departments in discovering and bringing to justice persons engaging in activities against the United States.

Censorship of cables and radios.

Protection of industrial plants.

Ship inspection.

Supervision of passports.

The Office of Naval Intelligence has no detective force or police force for the investigation or prevention of crime. The commandant of the naval district has an intelligence officer who collects naval information for the Office of Naval Intelligence, and who, in the performance of this duty, does occasionally discover matters which should be and are promptly brought to the attention of the Department of Justice, which has jurisdiction in such cases.

Naval Intelligence in peace time has no duties connected with guarding Government property or preventing theft. However, it cooperates closely with the Department of Justice and gives to that department every assistance possible in the detection of crime pertaining to the naval service.

With reference to the article appearing in the public press on December 20, quoted on the floor of the Senate, to the effect that there had been thefts in the New York naval district of naval stores amounting to about \$1,000,000, the facts are as follows: The value of thefts disclosed are in the neighborhood of \$1,500. The indictments found by the grand jury charge conspiracy and theft of materials of a total value of about \$2,100 only. The articles apparently stolen include paints, paint brushes, clothing, books, cloth cuttings, towels, and provisions.

The value of materials stored in the New York naval district is over \$50,000,000. A running inventory of these materials is maintained throughout the year. Owing to the great amount of material on hand and to the consequent possibility of small peculations, the officers of the naval district decided last August that it would be good

policy to ask the Department of Justice agents to undertake an investigation along this line. The statement made in the article which refers to the Office of Naval Intelligence is entirely without foundation. They were in no way concerned in the matter. As a consequence of the report of the agents of the Department of Justice 23 persons were indicted by the grand jury under the direction of the district attorney, were arrested, and are now held for trial or have been bailed awaiting trial. The amounts we have established as involved are those I have mentioned above.

Considering the amount of supplies on hand and the extensive nature of the transactions, I feel that this record compares favorably with that of any private concern so situated.

Yours very truly,

THEODORE ROOSEVELT.

Hon. MILES POINDEXTER,  
United States Senate, Washington, D. C.

Mr. KING. Mr. President, I understood that the Senator from Tennessee [Mr. McKellar] had offered an amendment which was pending.

The VICE PRESIDENT. The amendment was just voted upon.

Mr. KING. That was the amendment relative to the Naval Intelligence Office.

The VICE PRESIDENT. It was the pending amendment that was voted on.

Mr. KING. Then the Senator from Tennessee offered another amendment last night.

Mr. McKellar. I believe the Naval Intelligence amendment was the pending amendment. I now offer the amendment which the Secretary has on his desk providing for a reduction of 19,000 in the enlisted personnel of the Navy.

Mr. KING. Let the amendment be reported.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 30, line 8, add the following additional proviso:

*Provided further,* That the enlisted personnel of the Navy shall not exceed 67,000 men.

Mr. McKellar. Mr. President, I shall take only a moment or two in explanation of the amendment which I have offered.

My amendment provides that the number of enlisted men in the Navy shall be 67,000 instead of 86,000, as provided by the bill. I am a friend of the Navy. I think I have voted for every bill looking to the building up and maintaining of our Navy. I am loath to disagree with the report of the committee in this case, and I want to stop here long enough to say that I do not blame the officers of the Navy at all, and the officials of the Navy Department, for desiring to build up the Navy and making it as great as possible. They show a fine spirit in so acting, and I wish more of the departments would take a live and active interest in their own department affairs. If we had had the same activity and determination to win in behalf of the building up of our merchant marine on the part of the Shipping Board, for instance, as we have in charge of the Navy Department in the building up of the Navy, we would have a very much better merchant marine.

So I have no word of criticism of the Navy Department for wanting the 86,000 men. But I want to point out to the Senate very briefly the reasons why we ought not to appropriate for 86,000. A committee of the House carefully examined into this matter about a year ago, and reported that 67,000 were ample to man all of our ships and do all of the shore duty necessary, and upon the motion of Mr. Vane, of Pennsylvania, in the House, I believe, the report of the committee was overturned, and the House fixed the number at 86,000 men. The committee made a thorough examination, and its report is unanswerable. The House was in error in overturning it. The department does not need the men appropriated for. If war was actually on we would have more men on our capital ships than were originally designed for those ships when the ships were built.

Mr. President, when I say to the Senate that the United States Navy will have this year, if this bill passes, 86,000 men, and that the British Navy proper has only 84,000 men, I think it ought to be apparent to everyone that we have more men in our peace-time establishment in the Navy than we ought to have. Surely, whatever else may be said of Great Britain, she understands how to maintain her navy. Ordinarily I think it might be well conceded that the British Navy is about one-third larger, or nearly one-third larger, than the American Navy. Why should the American Government, with a Navy so much smaller, have, at this enormous expense, even more enlisted men in her Navy than they have in the British fleet?

Mr. President, we have 2,186 more enlisted men assigned to the 18 capital ships which we have under the treaty which was the result of the peace conference than Great Britain had to a like number and a like kind of capital ships, even in 1918, when the greatest war in all the history of the world was going on. Why is it necessary, I ask, for us, with this enormous burden of taxation upon the people, to tax ourselves

for this 19,000 additional men for whose maintenance there has been no reason offered?

The cost of enlisted men is a very great cost. According to the experts, the cost of these 19,000 men will amount to about \$30,000,000. This amendment, if adopted, will cut off about \$30,000,000 from the appropriation. We are appropriating in this bill something like \$325,000,000 for our Navy, and up to the time of the Great War in 1914 Germany never spent as much as \$200,000,000 on her navy. Great Britain spent but very little more than that at any one time and the United States never spent over about \$147,000,000 for her Navy. Now, when President Harding said in his message, just a few days ago, that there was not a war cloud in sight, we are taxing the American people in the enormous sum of \$325,000,000 for the maintenance of our Navy for one year, and that, too, in spite of the limitation of armament agreement. It was loudly claimed for the disarmament conference that it would reduce the cost of naval armament. If this bill goes through as reported, we might as well admit that the disarmament conference was of no value. Certainly it did not reduce our appropriations for our Navy. They are just as large or larger this year than last, and I see that Great Britain, France, and Italy are likewise appropriating vast sums for their armies and navies. Evidently the reduction of armament conference was a failure.

As everyone in the Senate knows, I voted for the four-power pact. I was criticized somewhat for that, but I said, in answer to the criticism, that it was at least a part of what I had contended for in advocating the League of Nations; that if we could not get all we asked for, I was glad to get a part of it; that if we got a four-power pact in the Far East, we might be able to make a pact later on for the Near East, and in that way, a part at a time, eventually secure the peace of the world. In addition to that, I stated that it would mean a reduction of taxation to the American people, I thought, if we limited our armament. Yet we find no reduction of taxation for the maintenance of our Navy. There is some reduction for building, but the same enormous amount of over \$300,000,000, or something like \$325,000,000, for the Navy.

I think it is the part of wisdom, I think it is the part of prudence, I know it is the part of proper economy to reduce the number from 86,000 to 67,000 men. That is ample for all purposes, and we would save about \$30,000,000 on that account.

For these reasons I have offered the amendment, and I hope the Senate will adopt it. I think it ought to be adopted. I think we ought to give some concern to this. What has become of the boasted limitation of armament if it is going to cost the American people just as much for our Navy in the future as it has cost them in the past? Prior to 1916 we never spent over about \$147,000,000 for the Navy, and only in later years that much. If it is going to be more than double that in the future, what good has been the limitation of armament? I voted wrong when I voted for it, I probably made a mistake when I voted for it, if it is not going to have the effect, which Senators claimed for it and which I claimed for it at the time, of reducing the cost of maintaining our Navy.

Mr. President, it seems to me it is better for the Congress not to put this enormous unnecessary burden upon the American people to keep up the Navy, and I regret very much that the Senator in charge of the bill is not willing to accept my amendment. It ought to be adopted, and I hope the Senate will adopt it.

Mr. KING. Mr. President, I shall support the amendment which has been offered by the Senator from Tennessee [Mr. McKellar]. In addition to the observations which he submitted, I want to call attention to the fact that out of the entire number of 86,000 men provided for in the bill, which does not include the number of officers, nearly 30,000 are employed upon shore or in shore duty or in work which does not take them upon the ships. My recollection is that the number required to man the ships, as provided for in the five-power treaty, was 52,000. Now, it seems to me that to have such a large number, nearly 30,000, on shore is not required and constitutes an unnecessary burden upon the taxpayers.

I find some criticism of that policy in the hearings. Some questions propounded during the House committee hearings indicate there was not complete approval of the policy which retains such a large number of men upon shore. Certainly there could be a reduction of at least 15,000 for shore duty, leaving 52,000 for manning the ships; and that would give approximately the number called for in the amendment offered by the Senator from Tennessee.

Mr. President, all this talk about reduction in the expenses of the Navy, to use the language of the street, is "moonshine."

I have gone over this bill very carefully item by item, contrasting the appropriations herein called for with the appropriations made for the current year, and a comparison will clearly demonstrate that there have been no economies worked out in the Navy Department and in the administration of the activities of that department. In the first place, this bill calls for not \$294,000,000 or \$295,000,000, as the report indicates, but it calls for more than \$325,000,000; how much more it is impossible to determine.

May I say, Mr. President, that I deem such a method of appropriating money exceedingly impolitic and certainly misleading? Any person reading the report of the committee or examining in a cursory way the bill itself and its provisions would not be clearly apprised of the fact that more than \$325,000,000 are carried in appropriations.

Mr. POINDEXTER. Mr. President, there is nothing in the report of the Senate committee that justifies the statement of the Senator from Utah. I presume that the report to which he is referring is the report of the House committee, which is incorporated, as the report of the House committee, in the report of the Senate committee. Personally, I think that the House committee report points out very clearly and specifically all the matters to which the Senator from Utah is referring.

Mr. KING. Mr. President, I read from the report submitted by the distinguished Senator from Washington, who has just interrupted me:

Mr. POINDEXTER, from the Committee on Appropriations, submitted the following report, to accompany H. R. 13374:

The Committee on Appropriations, to which was referred the bill (H. R. 13374) making appropriations for the Navy Department for the fiscal year ending June 30, 1924, and for other purposes, reports the same to the Senate with various amendments, and presents herewith information relative to the changes made.

Amount of bill as passed House.....	\$293, 806, 538
Amount added by Senate.....	1, 797, 840

Amount of bill as reported to Senate.....	295, 604, 378
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Mr. President, I submit that that statement is not accurate. The amount that is appropriated by this bill, directly and indirectly, is considerably in excess of the figures which I last stated and which I read from the report submitted by the Senator from Washington. As a matter of fact, this bill carries, directly and indirectly, appropriations of over \$325,000,000.

Mr. President, we have from time to time since I have been in the Senate condemned the practice of making appropriations in an indirect and uncertain way. No one knows how much will be expended under this bill in excess of the amount stated in the report, although it is conceded that a critical examination of the report and the bill, together with supplemental figures which may be obtained, will reveal the fact that at least \$325,000,000 are carried directly and indirectly.

The fair and proper method of dealing with these appropriations so that we may know from year to year the amount which is appropriated is to state directly in language which is unmistakable exactly what is appropriated.

This bill authorizes the disposition of certain properties and the application of the proceeds derived therefrom to certain activities provided for in the bill. How much will be realized from the sources just indicated can not, as I understand the facts, be accurately determined.

Then, Mr. President, authority is given in the bill to resort to funds heretofore appropriated and unexpended, from which may be subtracted millions of dollars; how much I am not able accurately to determine; but, as I have submitted, the amount will be in excess of \$325,000,000. Mr. President, anyone picking up the committee report and examining it will reach the conclusion that we are appropriating less than \$300,000,000, whereas the fact is that this bill carries more than \$325,000,000. I charge that the report in that respect is misleading. It seems to me that the chairman of the committee, the able Senator from Wyoming [Mr. WARREN], who is so familiar with appropriations and has exerted himself in an effort to give clarity and definiteness to appropriation bills, would protest against this plan.

I should like to know just exactly what is being appropriated. If we deem the amount specifically named of two hundred and ninety-odd million dollars inadequate, let us state what further sum shall be appropriated. If there are funds undisposed of in some of the bureaus or executive agencies of the Government, instead of giving authority to resort to those indefinite funds we ought to determine just what amount is needed to supplement the direct appropriation made and make another specific appropriation covering what we deem to be necessary—

Mr. POINDEXTER. Mr. President—

Mr. KING. Just a moment—and then provide that those indefinite sums unexpended by agencies or bureaus of the department shall be covered into the Treasury of the United

States. In that way we would have an intelligent grasp of the appropriations made and we would know something definite as to the fiscal policies and the fiscal affairs of the Government.

Mr. POINDEXTER. Mr. President—

Mr. KING. I yield.

Mr. POINDEXTER. Will the Senator point out any language of the bill that carries any indefinite appropriation?

Mr. KING. The Senator admitted—

Mr. POINDEXTER. Of course, there can not be anything used except what is authorized by the law. When this bill becomes a law no money can be used under it except as authorized by the language of the bill. If the Senator will point to anything in the bill that is justly subject to the censure which he has just directed toward it, I shall be very much more enlightened by his suggestion.

Mr. KING. I inquire of the Senator does not this bill authorize the application to various purposes of funds which may be derived from the sale of governmental property?

Mr. POINDEXTER. It does, and in doing so refutes the statement the Senator has just made about indefinite appropriations. It does it specifically and definitely to the extent of \$450,000. The particular property is mentioned and the purposes for which the proceeds are to be used are provided for in the bill.

Mr. KING. In the first place, it is not certain as to the amount which will be realized from the sale of the property. What ought to be done is to sell the property and cover the proceeds into the Treasury, and if an additional appropriation is required either in a deficiency bill or in this bill itself provision should be made for the additional amount.

May I inquire further of the Senator if it is not a fact that this bill contains a provision which will enable the Navy Department to resort to various funds which have not as yet been exhausted?

Mr. POINDEXTER. Yes; it contains an express authorization for the use, for the purposes for which such funds have been appropriated, of the unexpended balances in those funds, and thereby is absolutely definite and specific. There is nothing concealed about it.

Mr. KING. Oh, Mr. President, the conclusion which the Senator draws, in my opinion, is not quite warranted by the facts. The Senator can not tell now just what funds are at the disposal of various bureaus and agencies upon which drafts may be made at some time during the next fiscal year.

Mr. POINDEXTER. Why does the Senator say that? I do not know what warrant the Senator has for saying that I can not state the amounts.

Mr. KING. Does the Senator know?

Mr. POINDEXTER. I can get the exact figures down to cents for the Senator if he desires them. The mere fact that the Senator can not get them is no indication that the facts do not exist.

Mr. KING. Does the Senator now know what is the unexpended balance in each fund that was created, and does he know what that unexpended balance will be on the 30th of June?

Mr. POINDEXTER. No; I do not know what they will be on the 30th of June, but I have the information as to what they are now, and that is what we are referring to in this bill. They can not be any more on the 30th of June; they are bound to be less on the 30th of June than they are now, because some portion of the funds, probably, will be expended between now and then. They amount to about \$2,000,000. I will give the Senator the exact figures.

Mr. KING. Will the Senator advise the Senate now of the sources from which he expects the Navy Department under this bill will be permitted to draw during the coming fiscal year?

Mr. POINDEXTER. Yes, I will advise the Senate, but it is such an obvious matter that I think the Senate probably is already advised—that is, those Members of the Senate who have read the bill and taken an interest in the matter. I mentioned a moment ago two of them; one of them is \$450,000 for ordnance. There is an authorization to use the money that is derived from the sale of ordnance materials to the extent of \$450,000. That is one item. The other one is the authorization for the use of \$35,000,000 for carrying on the construction of the ships in which the Government is now engaged, which is to be taken from a fund which contains something over \$200,000,000, that fund being known as the "general supply account fund." It was considered by the House and considered by the Senate committee not to be advisable to keep a fund of that size unused out of the Treasury and subject to the purposes for which the "general supply account fund" was established, and so they proceeded to reduce that fund by authorizing the use of \$35,000,000 of

it, as is specified in the bill in the most definite and specific language, in order, without the necessity of stopping work and starting it again or discharging men and employing them again, which always entails extravagant waste and unnecessary expense, to proceed economically and continuously with the work upon the ships to which the Government is committed and which are now in process of construction. All of that is pointed out in the report and all of it is set forth in very definite language by the bill.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. KING. I yield.

Mr. McKELLAR. I should like to ask if the \$200,000,000 that the Senator says is now in the fund is held under the title "Increase of the Navy"?

Mr. POINDEXTER. The fund is not held under that title. It is held under the title of "General supply account fund of the Navy," but the authorization of the use of portions of it is under the head in the bill of "Increase of the Navy."

Mr. McKELLAR. I desire to call the attention of the chairman of the committee and the Senator from Utah to the language on page 53 of the bill, under the head "Increase of the Navy":

The Secretary of the Navy may use the unexpended balances on the date of the approval of this act under appropriations heretofore made on account of "Increase of the Navy," together with the sum of \$19,097,000—

As amended by the Senate—  
which is hereby appropriated, for the prosecution of work on vessels under construction on such date—

And so forth. If there are \$200,000,000 in that fund, evidently this language would reappropriate all of the \$200,000,000.

Mr. POINDEXTER. No; the Senator is mistaken about that.

Mr. McKELLAR. I am trying to get information. I do not know what that means unless it means what I have said, and I shall be glad to have any information from the Senator.

Mr. POINDEXTER. I am undertaking to give the Senator such information as I have in regard to it. The language which the Senator has just read does not refer to that fund at all. It has no effect on it. It appropriates nothing out of it. It refers to unexpended balances, which is the language of the section, and which could not mean anything except what it says.

Mr. McKELLAR. Mr. President—

Mr. POINDEXTER. The Senator asked me to give him information. I may not have as much as I ought to have, but if he will just permit me for half a minute to proceed to give him such information as I have I shall be very much obliged to him.

Mr. McKELLAR. Very well; I shall be very glad to have the Senator do so, because that is what I want to know.

Mr. POINDEXTER. What the Senator is talking about is contained in another part of the bill. The language which he has just read had nothing whatever to do with it. If the Senator will turn to page 54 of the bill, line 25, he will find the language which covers the subject which he is talking about; that is—

Provided, That in addition to the funds hereinbefore made available for "Increase of the Navy" the Secretary of the Treasury is authorized and directed to make transfers during the fiscal year 1924 from the naval supply account fund and the clothing and small stores fund to the appropriation "Increase of the Navy" of sums aggregating \$35,000,000.

That is what I referred to a moment ago.

Mr. McKELLAR. Yes; I noted that, and I note that that is a proviso, a limitation on the preceding part of that section. The general language reappropriates all the money in that fund, and this is a limitation to \$35,000,000. I may be in error, but this language on page 53 is the principal part of that section and the part to which the proviso is merely a proviso or limitation; and unless I am greatly mistaken the whole \$200,000,000—if the Senator says there is that much in that fund—is reappropriated in this language:

The Secretary of the Navy may use the unexpended balances on the date of the approval of this act under appropriations heretofore made on account of "Increase of the Navy," together with the sum of \$19,097,000.

That reappropriates it all for some purpose. The \$35,000,000 in the proviso on pages 54 and 55 is a limitation to the statement that I have just read.

Mr. POINDEXTER. The Senator has done a remarkable thing in discovering here, just while he is arguing the bill, a construction of it which nobody on the committee of the House of Representatives—which contains a lot of very able men, who devote their entire time to that matter—and nobody on the Senate committee, and nobody in the Navy Department has

ever discovered. It is quite a startling fact if it is a fact, but I do not see how anybody could possibly give that construction to it.

Mr. McKELLAR. Mr. President, I want to say in reply to that, if the Senator from Utah will permit me—

Mr. KING. I yield.

Mr. McKELLAR. I ought not to have taken so much of the Senator's time, but if he will permit me I will say in answer that I had no idea—there was nothing in the report to show—there were in this fund \$200,000,000 of unexpended balances. If there are, as the Senator from Washington has just told us, \$200,000,000 of unexpended balances in this fund, then this language reappropriates it—there can not be any question about that—and the Navy Department can use it. There can be no question about that, and the language here reappropriates that money, whatever the committee or whatever the Senator might have thought about it.

Mr. POINDEXTER. Will the Senator point out the language which reappropriates it?

Mr. McKELLAR. Why, of course. I have read it twice, and I will read it again.

Mr. POINDEXTER. Just read the words.

Mr. McKELLAR. I will read it. I have read it twice, and I will read it again:

The Secretary of the Navy may use the unexpended balances on the date of the approval of this act under appropriations heretofore made on account of "Increase of the Navy," together with the sum of \$19,097,000—

And that takes in all of the unappropriated balances.

Mr. POINDEXTER. The Senator has just read language which authorizes the Secretary of the Navy to use unexpended balances under appropriations heretofore made on account of increase of the Navy. There can not be any mistake about that language.

Mr. McKELLAR. Not at all.

Mr. POINDEXTER. "Unexpended balances \* \* \* under appropriations heretofore made on account of 'increase of the Navy'" is the language used.

Mr. McKELLAR. Yes.

Mr. POINDEXTER. Now, just permit me for half a moment. The fund which the Senator is talking about is not an appropriation for increase of the Navy, and so it can not be affected in any way whatever by the language which he has just read.

Mr. McKELLAR. I just asked the Senator that very question, and the Senator stated, in answer to a previous question of mine, that the \$200,000,000 was under that fund.

Mr. POINDEXTER. No.

Mr. McKELLAR. Or I so understood him.

Mr. POINDEXTER. The Senator misunderstood me. I did not make any such statement. I stated the contrary.

Mr. McKELLAR. The report does not refer to it in any way in the world and it seems to me it ought to refer to it.

Mr. KING. Mr. President, I confess that the explanation of the Senator from Washington, while doubtless clear to others, is not very lucid so far as I am concerned. I had in mind the same point which the Senator from Tennessee has just submitted. I read, and I ask the permission of the Senate to read again, the language which he has read, namely:

The Secretary of the Navy may use the unexpended balances on the date of the approval of this act under appropriations heretofore made on account of "Increase of the Navy."

Now the Senator calls attention to another provision, found on page 55, namely:

That in addition to the funds hereinbefore made available for "Increase of the Navy," the Secretary of the Treasury is authorized and directed to make transfers during the fiscal year 1924 from the naval supply account fund and the clothing and small stores fund to the appropriation "Increase of the Navy" of sums aggregating \$35,000,000.

It may be, although that is not clear, that there are two funds, one denominated "Increase of the Navy," which contains a large unexpended balance, and another fund from which \$35,000,000 may be drawn under the authorization found on page 55. I should like to ask the Senator whether there are two funds from which drafts may be made by the Secretary of the Navy; whether he may use all the unexpended balances found in the account entitled "Increase of the Navy," and also \$35,000,000 from the fund referred to on page 55?

Mr. POINDEXTER. Why, certainly not. As I just explained in a colloquy with the Senator from Tennessee [Mr. McKELLAR], the fund referred to on pages 53, 54, and 55—to use the Senator's designation of it—is not an appropriation for increase of the Navy, and so language in the bill authorizing the use of unexpended balances under appropriations for increase of the Navy could have no effect at all on it.

Mr. KING. I do not know that I fully comprehend the Senator's meaning. I should like to ask him so that we may get an understanding, what funds there are now unexpended under the head "Increase of the Navy." Certainly there are some funds under that bookkeeping title employed by the Navy Department, or this language would not be found in the bill.

Mr. POINDEXTER. I suppose it might be called a fund, but the Senator has already designated it. It is money appropriated for increase of the Navy. It is referred to as a balance. It is not ordinarily referred to as a fund. There are certain more or less permanent funds, one of which is the fund of the naval supply account, another of which is the clothing and small-stores fund, and neither one of those is an appropriation for increase of the Navy. The Senator can see by the necessary implication of the language that they could not have any relation to increase of the Navy.

Mr. KING. I am inquiring of the Senator what funds or balances now exist under the technical title "Increase of the Navy" which would be appropriated by the language found on page 58?

Mr. POINDEXTER. I am informed that there will be nothing at all. As I said a moment ago, I can not tell exactly what will be expended between now and the 1st of July, the end of the fiscal year; but I am informed by the Navy Department that at the present rate of expenditure all the money that was appropriated last year will be exhausted by the end of the fiscal year, so that there will be nothing left in the balance for the increase of the Navy.

Mr. KING. Mr. President, obviously the committee thought that something would be available, because they use this language:

The Secretary of the Navy may use the unexpended balances on the date of the approval of this act.

There must have been something in contemplation. The figures in the department must have shown that in the latter part of December, 1922, or the beginning of January, 1923, there would be some balance in the fund labeled "Increase of the Navy." What I am trying to get at is, what amount did the committee think they were appropriating by the bill?

Mr. POINDEXTER. They thought they were appropriating anything that would be left in that fund at the end of the fiscal year, if there was anything left. The Senator says there must be something left. He is perfectly welcome to assume that if he wants to. If there is anything left, it will be carried by this appropriation; but I repeat to the Senator—this is the best information that is available—that at the present rate of expenditure, and under the commitments which have been made, the Navy Department is of the opinion that there will be nothing left in that fund at the end of the fiscal year. The Senator says there must be something left in it. If he chooses to act on his assumption that there must be something left, I have nothing further to say about it.

Mr. KING. Oh, Mr. President, the Senator plays with words and, it seems to me—and I say that with all due kindness—is not quite frank in the presentation of this matter. I stated that the committee obviously must have felt that there would be something in the fund, some balance, or they would not have made the appropriation; but let me say to the Senator that the committee do not employ the language "at the end of the fiscal year." The bill provides: "The Secretary \* \* \* may use the unexpended balances on the date of the approval of this act." Now, what I am trying to get at is this—

Mr. POINDEXTER. The Senator is a very able lawyer, and it ought not to be necessary for me to explain to him a simple matter such as the fact that it is not necessary to insert a provision in this bill to authorize the expenditure of funds the expenditure of which has already been authorized by the appropriation act of last year, which covers the period of the fiscal year up to June 30, 1923. The appropriations carried in the pending bill are for the fiscal year 1924, and the authorization carried in this bill for the use of unexpended balances is to cover the period of time not covered by last year's act.

Mr. KING. Mr. President, that is not the language of the bill, of course. The language of the bill is that any unexpended balances appearing in that fund at the date of the approval of this act are appropriated. The Senator from Washington is a very able lawyer and a very wise legislator, and I am sure that not only his State but the country will suffer materially by not having his able services here in the future. But may I ask the Senator, if it be a fact that this language was intended to apply only after the expiration of the fiscal year, why was the language employed that the appropriation should be of any balance found in the fund "at the date of the approval of this act"?

Mr. POINDEXTER. Because the act could not have any effect until the date of the approval of it. It was to cover all

of the funds in existence when the act went into effect. It should not be necessary to explain that, and I think the Senator really understands it. I do not know whether the Senator is asking these questions in good faith or not. Of course, the purpose of specifying the date of the approval of the act was to specify the amount of money that was in the fund at the time the act became effective.

Mr. McKELLAR. Mr. President, if the Senator from Utah will yield to me, I would like to ask the Senator in charge of the bill two questions, and I assure him they are both asked in good faith. The first of these questions is this: Is the entire sum of \$200,000,000, which the Senator said was in some fund, all reappropriated by this bill, or is only \$35,000,000 reappropriated?

Mr. POINDEXTER. The \$35,000,000 is not appropriated, because it has already been appropriated, but a transfer of the fund is authorized to the extent of \$35,000,000.

Mr. McKELLAR. Then, as I understand, there will be \$165,000,000 unexpended in the department which are not reappropriated by this bill. Is that correct?

Mr. POINDEXTER. Whatever the balance is. The figures which I gave as to the amount in the fund now may not be exact—they are only approximate; but there will be left in the fund all except the \$35,000,000, the transfer of which is authorized by this bill.

Mr. McKELLAR. Then I understand that in a general fund the unexpended balances now in the hands of the Navy Department are about \$200,000,000; that \$35,000,000 of that \$200,000,000 is reappropriated, and on July 1 the other \$165,000,000, or thereabouts—of course, I am not speaking accurately of the amount, nor is the Senator, I assume—will be covered into the Treasury.

Mr. POINDEXTER. No.

Mr. McKELLAR. What will become of the \$165,000,000?

Mr. POINDEXTER. It will remain just where it is now. It has already been appropriated. It is not in the general fund of the Navy. It is in the general supply account fund. The balance of that fund, other than the \$35,000,000 which will be transferred if the bill passes, will remain just exactly where it is now, not being affected in any way whatever by this bill. In other words, it will remain in the general supply account fund for the Navy.

Mr. McKELLAR. Why is an unexpended balance of \$165,000,000 left in the Treasury undisposed of and unused? What is the purpose of it?

Mr. POINDEXTER. The object was to have a revolving fund of a considerable amount, especially during the war, out of which supplies, clothing, and small stores could be purchased and kept on hand by the department for the current uses of the department and to meet emergencies as they arose.

Mr. McKELLAR. That was a war measure, was it not? Why should we keep in the department a revolving fund of \$165,000,000 in such an account? I am asking the Senator in good faith for information.

Mr. POINDEXTER. I think the criticism of the Senator from Tennessee is a very sound one—that this fund is too large, and ought to be reduced—and the transfer of \$35,000,000, as authorized by this bill, is for the very purpose of reducing that fund. Of course, if the Senator wants to increase the amount transferred beyond that which is carried by this bill, so as to reduce the fund still further, I do not know that I would object to it, although I am inclined to think that the amount provided here for increase of the Navy is about all that can be economically expended during the next fiscal year.

Mr. McKELLAR. My purpose is not to add to the expenditures at all; I wish to cut down the expenditures as much as can reasonably be done and keep our Navy as it should be; but it does not appear from what the Senator says that that fund is any longer necessary; and, if that is so, why should it not be restored to the Treasury, in these times when taxes are so high and money is so scarce? It seems to me to be the part of wisdom to let that \$165,000,000 be covered back into the Treasury on the 1st of July, or immediately upon the passage of this bill. I should think that would be the prudent way of legislating. If the Senator will yield just a moment, if I understand the contention of the Senator from Utah, which I think is well taken, it is that this habit of putting down actual appropriations from the Treasury at \$294,000,000, say, as is carried in this bill in round numbers, and then reappropriating from large balances, or unexpired balances, is a very poor way of legislating, and it seems to me those balances ought to be disposed of before we make other inroads on the Treasury to carry on the affairs of the Navy.

Mr. KING. Mr. President, I do not know why the Senator from Washington should challenge the good faith of anybody in propounding inquiries in regard to this bill. This is one

of the most important of the appropriation bills, and but few Senators have given it attention and but limited information has been given the Senate concerning its provisions. There should be more inquiries and fuller discussion of its provisions.

Mr. MCKELLAR. Especially in regard to this fund.

Mr. KING. It has been disclosed now that there is a revolving fund of \$200,000,000 carried in the Navy Department. The Senator states that. I was not aware of the extent of the fund. It is disclosed now that instead of making a direct appropriation of \$35,000,000 for naval construction, we authorize the Secretary of the Treasury to subtract \$35,000,000 from a revolving fund of \$200,000,000. The form of the bill gives ground for the criticism that the entire amount carried by the bill is not clearly stated.

The committee reports \$295,000,000 appropriated. But in the closing pages of the bill there is found an authorization to take \$35,000,000 from a fund, which obviously increases the full amount in the bill to more than \$325,000,000.

Mr. MCKELLAR. As I recall, the newspapers all carried in their columns the statement that the amount appropriated for the Navy this year was about \$294,000,000. It seems to me we ought to be fair with the people and disclose to them just exactly what is appropriated for each department so that they can understand it. Of course, if \$35,000,000 or any other sum undisclosed is put in an appropriation bill and the people are not given knowledge of it, I do not think it is exactly fair.

Mr. KING. Mr. President, it seems to me there is no necessity in peace times, in view of the fact that Congress is in almost constant session and in view of the fact that it responds so quickly to demands for deficiencies, to carry a revolving fund of \$200,000,000 in the Navy Department. The Senator said that fund is used for supplies, and so forth, so that resort may be had to it in a contingency. We know that departments have been in the habit of creating deficiencies and then appealing to Congress to make appropriations to cover the same, but the Navy Department now, in peace times, knows approximately, indeed almost accurately, what its requirements will be for the year. It knows that if the amount appropriated is inadequate, resort may be had to Congress for relief.

It seems to me the committee ought to have reported as a part of this bill a provision covering a portion of this \$200,000,000 into the Treasury of the United States. Then it ought to have frankly made an appropriation of \$35,000,000, if that amount were deemed necessary, to aid in the constructive policy in which the Navy Department is engaged.

Moreover, it is demonstrated, from the concessions made by the Senator himself, that the fund first referred to on page 55, which is reappropriated, is not certain, and it is not known how much of that fund will be available at the date of the passage of this bill or at the end of the fiscal year. The Senator states that from present information there will be nothing left in the fund. We do not know whether the information of the Senator is correct or not. There may be a considerable amount left at the end of the year. Whatever it is, much or little, is carried by this bill, and to that extent the bill is indefinite as to the appropriations made.

I submit again that as to that fund there ought to be a provision that whatever balance exists on the 30th of June, the end of the fiscal year, shall be covered into the Treasury of the United States.

Mr. MCKELLAR. Mr. President—

The PRESIDING OFFICER (Mr. TOWNSEND in the chair). Does the Senator from Utah yield to the Senator from Tennessee?

Mr. KING. I yield.

Mr. MCKELLAR. I desire to ask a question of the Senator from Utah, who is on the committee and who can probably answer it. If he can not, I would like to have the acting chairman of the committee answer it. There has been a great deal of property sold by the Navy, supplies which were accumulated during the war and for which they have no use now. I do not know to what extent they have such supplies, but I know quite a large amount of supplies are still on hand in the Navy which they are from time to time selling, as the newspapers report. What I want to know is, does the money coming from those sales go into one of these funds, this revolving fund or some other fund, or is it covered into the Treasury? I would be glad to have the Senator's view on that, if he has the information. If he has not, I would like to know from the Senator in charge of the bill whether the proceeds of sales of property by the Navy Department are covered into the Treasury or whether they go into one of these funds.

Mr. KING. I shall be glad to yield to the acting chairman of the committee to answer that.

Mr. POINDEXTER. I understood the question was addressed to the Senator from Utah, and I did not catch the question in full.

Mr. MCKELLAR. I am perfectly willing to have either Senator answer, or to have anyone else answer who has the information.

Mr. POINDEXTER. The proceeds of those sales are listed under the head of "Miscellaneous receipts" and are covered into the Treasury.

Mr. KING. I invite the attention of the Senator from Tennessee [Mr. MCKELLAR] to another fact, which will be brought in an acute form to his attention, I feel sure, before the adjournment of Congress. We have been regaled frequently by those who have been indulging in constant panegyrics upon the beneficent results of the Washington conference, that the cost of maintaining the Navy was to be reduced. The American people were led to believe that they were to be relieved of a very large burden as a result of the Limitation of Armament Conference. I warn the Senator from Tennessee that before the adjournment of Congress appeals will be made for an appropriation of from \$60,000,000 to \$70,000,000 more to "modernize," to use the expression employed, our battleships.

We are being given the naval appropriations in piecemeal. The aggregate amount will thus not appear so large—or at least the country will not receive the shock which the entire amount would create. We will be asked to appropriate \$60,000,000 to \$70,000,000 more. Already an appeal has been made to the Budget Committee, and I think the Budget Committee has presented the matter to the President and his Cabinet, and in order to modernize the battleships we will doubtless be asked to authorize a stupendous appropriation in addition to the large appropriations carried in the pending bill and heretofore made. The appropriation authorized and carried by the bill and the appropriation which doubtless will be submitted will therefore amount to approximately \$400,000,000 for the current year.

Mr. MCKELLAR. Does the Senator mean the appropriation is to be made for the purpose of modernizing the 18 capital ships which we were allowed under the program of the Disarmament Conference?

Mr. KING. Some or all; I do not know exactly which ones are to be "modernized."

Mr. MCKELLAR. That is something new.

Mr. KING. I said to the Senator it would be brought to his attention in an acute way before the Congress adjourns. I want to say now to some of our navalistic friends that there may be some difficulty in forcing through the Senate of the United States a proposition of that kind during the present session.

The people are being deluded by the constant reiteration that naval expenses have been greatly reduced. As a matter of fact the naval appropriations carried by this bill and by the current year measure is more than double the amount appropriated in either 1912, 1913, 1914, or 1915. The Senator from Washington said the Washington conference had effected a reduction of approximately \$180,000,000 in the execution of the 1916 naval program. Of course, it is known that the conference dealt only with capital ships. Yet we will have, and I think that the truth of the statement will soon be made apparent to the public, a request for \$60,000,000 to \$70,000,000 to change ships already built. The American people will realize, if they have not already realized, that the benefits of the Washington conference have been greatly exaggerated and that the burdens created by the Navy will be much greater than at any time prior to the war.

Mr. MCKELLAR. Mr. President, in that connection will the Senator permit me to read a very short article which appeared in the morning Post?

Mr. KING. I yield for that purpose.

Mr. MCKELLAR. It looks as if not only America has the mania for enormous appropriations for war purposes but that our friends who joined in the disarmament conference last year have the same sort of views. I quote from the Post of this morning, including the headlines, as follows:

HUGE SUMS FOR ARMS TO BE SPENT BY EUROPE—ENGLAND, FRANCE, AND ITALY PREPARING HUGE ARMAMENT OUTLAY IN 1923.

[Special cable dispatch.]

PARIS, December 29.—The greatest paradox of modern times is found in the fact that the European nations, though ranging from financial depression to the verge of bankruptcy, still are preparing to spend billions of dollars on their armies and navies the coming year.

From reliable authorities in Paris, London, and Rome the following striking comparison of budget statistics for 1923 has been obtained:

France to-day owes 316,984,988,953 francs at home and abroad, of which 40,893,234,000 represents her debt to the United States and 33,983,117,000 her debts to other countries. Nevertheless the new budget to be voted next month calls for 3,661,201,324 francs for the army and 1,121,714,351 francs for the navy.

Great Britain's total debt to-day is £1,090,482,000, of which £920,490,000 is owing to the United States.

Mr. KING. Of course, that is an error. Great Britain's indebtedness is much greater.

Mr. McKELLAR. I shall give the actual figures in a moment. I ascertained by examination that the figure just read was incorrect.

Yet for the coming year the British Army budget is £62,800,000 and naval expenses are estimated at £64,883,500.

Which the Senator will see is considerably less. While England is proposing to spend an enormous sum, yet it is considerably less than we propose to spend on our Navy.

Italy's total debt at the beginning of 1923 will be 122,000,000,000 lire gold, or an increase of 8,000,000,000 since the armistice, of which 8,250,000,000 represent American claims. Premier Mussolini promises army reforms, but without cutting expenses greatly.

He seems to have the same habit that some of those in charge of our Government have of promising to cut down the appropriations, but keeping them quite as large or larger than before.

As a result, the army budget stands at 1,975,000,000 lire and the naval budget 1,405,000,000.

While I am on my feet I desire to correct the amount of Great Britain's debt. Instead of being £1,090,000,000, as stated in the article, the total debt on December 2 was £7,902,000,000, of which about \$4,000,000,000 is due the United States.

Mr. HEFLIN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Alabama?

Mr. KING. I yield.

Mr. HEFLIN. While the Senator from Tennessee [Mr. McKELLAR] was directing our attention to the article which appeared in the Washington Post this morning, it occurred to me that it was quite remarkable that this startling statement should be printed here in our daily papers in the Capital of the United States, just at the time the naval appropriation bill is pending, when an effort is being made to increase the appropriation above that carried in the last bill. Some of us are undertaking to bring down the appropriations in keeping with the purpose we had when we had the disarmament conference in the city of Washington.

It used to be said that there was a committee of propaganda working around the world for the purpose of building big navies in the various countries; that they would come to the United States and show quietly to those in authority that England was about to build two more battleships, France was going to build two more, Germany was going to build two more, and Japan was going to build two more. "Don't you think you had better build two more?" Then the moment we contracted to build two more they would go back around the same circle telling the other powers that we had just made our plans for building two more big dreadnaughts. Thus the propaganda went on and on. It looks to me like the present program is a part of that propaganda. The statement to-day that those countries are expending large amounts of money for the purpose of building battleships and enlarging their armies is evidently put forth for the purpose of affecting legislation in this Chamber. I wonder if it is being used for that purpose.

Mr. McKELLAR. Mr. President, will the Senator from Utah permit me to say that if nations like France, Great Britain, and Italy were able to expend these enormous sums for their armies and navies in these times of profound peace certainly they ought to pay the interest on the obligations they owe us. I say it is to Great Britain's credit that she has already started to pay the interest. I believe from what I know of her history, and especially her desire always to meet her obligations, that she will continue to pay the interest on her debt, as she contracted to do. I hope when her representatives come here—they are now on the way over—that they will not ask alms at our hands but will come prepared to meet their obligations in the same good faith in which those obligations were contracted for their benefit. I believe they will do that. I believe that France and Italy will follow Great Britain's example. I hope that our representatives on the commission, though they are Republicans, will see to it that America does not yield, but will require these nations, who are able to spend such enormous amounts for land and naval armament, to pay the interest which they owe us.

Mr. KING. Mr. President, just a word further in support of the amendment offered by the Senator from Tennessee. I stated a moment ago that under the terms of the treaty we were permitted to have a certain number of capital ships; that under the plan which had provided for 86,000 men 52,000 of enlisted men were regarded as necessary for sea duty. The difference between the 52,000 and the 86,000 represents practically the land forces; that is to say, those who will be upon the land are engaged upon activities that might be denominated land activities in contradistinction to sea service. I repeat that such a great proportion—the proportion of 52 to 86—is

not to be justified; 52,000 men for sea service and the difference between 52,000 and 86,000 for land service can not be justified.

In addition to that the bill carries appropriations for tens of millions of dollars for employees, civilians, nontechnical men. I think it would be absolutely impossible for any person to go through the bill and determine the number of employees. I venture the assertion that the number will run into thousands and tens of thousands. In order to get 52,000 men at sea we are spending \$325,000,000 to \$330,000,000; and that is not all, as I have indicated, because demands will be made shortly for further appropriations.

Mr. President, we have been promised great reforms in the Navy Department following the war. Of course, during the war we looked for more or less of confusion and extravagance in both the War and the Navy Departments. It could not be otherwise. The demands were so great, the hasty mobilization upon land and sea so vigorous, that those things were prolific of extravagance and of waste. But we were led to believe that there would be very great reductions in the personnel and very great reductions in the overhead in the Navy Department following the war.

I have gone very carefully through the pending bill and compared it with the bill which we passed a year ago, and the pending bill carries a larger appropriation and makes, I venture to say, provision for more employees than the bill which we passed a year ago.

Mr. POINDEXTER. Mr. President, does the Senator say it carries a larger appropriation?

Mr. KING. Yes; in the aggregate that is a larger direct appropriation, the amount being over \$325,000,000.

Mr. POINDEXTER. The Senator is mistaken about that. It carries more than \$18,000,000 less than the bill for the current year.

Mr. KING. The appropriation bill last year, as shown by the committee report, carried less than \$300,000,000. It was frequently stated by the Senator and others during the debate, as I recall—

Mr. POINDEXTER. This bill carries less than \$300,000,000.

Mr. KING. I beg the Senator's pardon; my understanding is that it carries more than that, the amount exceeding \$325,000,000.

Mr. POINDEXTER. No; the Senator is entirely mistaken about that. Let us be frank and accurate in our statements. The pending bill appropriates less than \$300,000,000, but it authorizes the transfer of certain funds so as to make those funds available for the increase of the Navy, which, added to the direct appropriations, makes, to give the Senator the exact figures, a total of \$325,671,612. The Senator is comparing the appropriations carried by the pending bill with those carried by the bill for the current year, and he is adding to this year's bill the indirect appropriations. Does not the Senator think that, in the interest of fairness and accuracy of statement, he ought also to add to the bill for the current year the indirect appropriations which were authorized just as he adds to the pending bill similar indirect appropriations?

Mr. KING. If that is a question, I answer yes.

Mr. POINDEXTER. When that is done, then the sum total of the appropriations in the naval bill for the current year is found to be \$343,857,073.25, which, instead of being less than the appropriations carried in the pending bill, is \$18,185,000 more.

Mr. KING. If there were indirect appropriations in the bill for the current year they would be in addition, I have no doubt, to the two hundred and ninety-odd million dollars which were carried by the bill which we passed in the spring of this year. My understanding is that the larger part of those indirect appropriations were not expended, and were either covered back into the Treasury or are held as unexpended balances; so that, as a matter of fact, there has been expended up to the present time considerably less than the \$300,000,000, or, rather, at the end of the fiscal year, to be perfectly fair, the direct appropriations plus the authorizations will be less than the two combined.

Mr. POINDEXTER. I thought the Senator was talking about appropriations and authorizations instead of expenditures. If he compares the expenditures of the current year, how is he going to compare them with the expenditures for next year? How can the Senator tell what portion of the funds to be appropriated now for the fiscal year 1924 will be expended at the end of the fiscal year 1924, which will be one year from the 1st of next July?

Mr. KING. I concede, Mr. President, that the fair way of comparing the appropriation bill of last year with the pending one is to take the direct appropriations and then take the authorizations and determine what part of the authorizations be employed. I think the Senator is in error in averring that the \$35,000,000 is an authorization. I regard it the same as a

direct appropriation from the Treasury. It must be so, because the revolving fund of \$200,000,000, which, let me say in passing, ought not to exist but ought to be covered into the Treasury instead of appropriating, contains Federal funds and from these funds this sum by this bill is taken or authorized to be taken, and we know that it is the intention to at once transfer this sum from the present fund to construction account.

Mr. POINDEXTER. We can not cover that into the Treasury, because a large part of it consists of clothing and property of various kinds. I think there is only at the present time something over \$9,000,000 of cash out of the fund of \$200,000,000, the balance consisting of supplies.

Mr. KING. Well, Mr. President, if we have such a stupendous amount of supplies as the result of the war, or in part as the result of the war, it is clear they ought to have been disposed of long before this and the proceeds derived therefrom covered into the Treasury. Of course, whatever is required for the maintenance of an adequate quantity of supplies on hand should be reserved, but, aside from that, the balance ought to be converted into money and transferred to the Treasury of the United States. But, as I was stating, Mr. President, the \$35,000,000 appropriation is a direct appropriation; it is not a mere authorization. I have no doubt there will be transferred from the revolving fund the \$35,000,000, and it will be expended. Obviously it is intended that it shall be expended, for it goes to an account which contemplates its expenditure during the coming year. So the direct appropriation carried by this bill, I insist, will be the amount stated in the Senator's figures in his report of \$295,604,378 plus the \$35,000,000 which is to be taken from the revolving fund; and then, in addition to that, there is a certain amount, approximately \$500,000, which will be derived from the sale of certain property. So I insist, Mr. President, that the appropriations for the next fiscal year are substantially the same and may exceed the appropriations for the fiscal year ending June 30, 1922.

Mr. POINDEXTER. Mr. President, I do not want to be put in the position of admitting that by being silent. I simply wish to repeat what I have said several times already—that, instead of the appropriations carried by the pending bill being greater than those carried by the bill for the current year, they are more than \$18,000,000 less.

Mr. KING. Of course, that can only be determined on the 30th of June of the coming year, when we may know what part of the authorized appropriations carried in the bill for the current year has been employed. If the forty-odd million dollars to which the Senator has referred have all been expended, then the Senator's statement is correct; otherwise, I respectfully submit, his position is not accurate.

Mr. President, I say again that, in my opinion, the Navy Department has not effected those economies that we were led to expect that it would; the expenses, if one will examine them, will be found to be so enormous as to excite the surprise and amazement not only of the superficial examiner but of those who make a careful scrutiny of the items of the bill.

Mr. GERRY obtained the floor.

Mr. TRAMMELL. Mr. President, will the Senator from Rhode Island yield to me, in order that I may ask the Senator from Utah a question?

Mr. GERRY. I yield to the Senator.

Mr. TRAMMELL. The Senator from Utah is familiar with the bill, and I should like to ask him if he has considered the paragraph covering the appropriation for the Judge Advocate General's office. I find that the appropriations last year amounted to \$35,810, for clerks, clerical aid, and so forth, including lawyers. I find on page 8 of the pending bill an appropriation of \$78,720 for the same purposes.

Mr. KING. Let me say to the Senator that my understanding is, while there is a very large increase, a certain office—that of the solicitor of the Navy, or some branch of the Navy—has been abolished or, at least, consolidated with the Judge Advocate General's office, and it is contended that the expenses now of the Judge Advocate General's office comprise items which in the past were carried under two heads. As to whether or not the expenditures heretofore for both divisions exceeded or were less than the appropriations carried by the pending bill, I am not quite able to state.

Mr. TRAMMELL. I noticed the increase, and I thought probably the Senator could give some information about it.

Mr. KING. I may say that the expenditures last year for the Judge Advocate General's office were \$29,810, and for temporary employees, \$6,000, making \$35,810 in all. In the pending bill the amount is much greater.

Mr. POINDEXTER. Mr. President, will the Senator from Rhode Island allow me to make a statement in reply to the question of the Senator from Florida?

Mr. GERRY. Certainly; I yield to the Senator from Washington.

Mr. POINDEXTER. The appropriation carried in this bill covering the two offices which have been consolidated is \$3,720 less than the amount carried for the two offices for the current year. I may add also, although it is not essential, that there has been a great increase in the amount of work to be performed by the Judge Advocate General's office as compared to the amount of work that had to be performed by that office when the last appropriation was made. That arises from the fact that recent legislation has given the department jurisdiction to settle and determine claims in much larger amounts than the law previously authorized, and, consequently, there is an increase in the number of claims filed and increased work on that account. In addition to that, recent legislation authorized them to adjust claims of contractors. Where contracts have been interfered with by the end of the war or by war orders of the Government to the damage of contractors, they are required to make an investigation and report as to those matters, which was not required at the time the last appropriation was made.

Mr. GERRY. Mr. President, in the debate to-day there has been considerable discussion as to the number of men distributed among shore assignments. It has been stated that something over 30,000 men were employed on shore duty, and that that number is very disproportionate in comparison to the total strength of the personnel of the Navy. I think it is only fair in discussing this question to consider the character of assignments of these 30,000 men.

In the hearings before the House committee a table is found, on page 27, which shows that on September 30, 1922, the total actually assigned to shore duty was 28,735. I refer to that table because it gives actual figures and not estimates.

Take the item shore base submarine tenders—2,116 men. That looks, of course, on its face as if this was simply shore duty; but, as a matter of fact, the reason we have men at shore bases for submarines is because we have not enough mother ships. In war time they would go to sea with the submarine flotilla, and would now if we had the necessary mother ships. They are really part of the fleet.

Shore activities craft—district vessels—1,867 men. This covers the work done by the naval personnel in manning small vessels for the stations, including the seagoing tugs. I know that the men engaged in the latter activities, in my section of the country at least, are performing most excellent service. They give aid to vessels in distress. Hard work in rough seas.

Nearly 7,000 under training station recruits and trade schools. These are the men that are undergoing training for the active service.

Then another figure: I have taken only a few at random to show that this total number of over 28,000 men that are supposed to be doing shore duty in reality, when we study the items, are part of the fleets.

The item in transit, 1,528, refers to those men who are being transferred from one ship to the other. They are simply going from one fleet to another.

Another item refers to patients in hospitals, 1,841, and prisoners, 760, making a total of 2,501 men. That can hardly be charged as an extravagance in naval expenditure or increasing unduly Navy personnel ashore.

If we add up the above totals, we find that out of this twenty-eight thousand odd nearly 12,000 are employed in duties that really should not be classified as anything but part of the fleet activities; and that means that, deducting the twelve thousand and odd from the twenty-eight thousand and odd, we find that we have between sixteen and seventeen thousand men classed in shore duty that are actually a part of the fleet.

Mr. HEFLIN. Mr. President, I called attention a moment ago to the article which appears in the Washington Post this morning, the headlines of which were read by the Senator from Tennessee [Mr. McKellar]:

Huge sums for arms to be spent by Europe. England, France, and Italy preparing huge armament outlay in 1923.

Mr. President, this article suggests several thoughts. One is that this is a part of a propaganda that has been going on in the world for quite a number of years. People who make money out of manufacturing war implements, the building of battleships, submarines, and other things used in war are interested in keeping that work going on everywhere. One of the greatest forces against the League of Nations in the United States came from those who make money out of war and preparations for war. They used to go from country to country, as I suggested a moment ago, with their propaganda. They would go to Great Britain and tell Great Britain that the United States was building two mighty battleships. Then they would go to

France and tell France the same thing. They would go to Japan and to Italy, and each naval power felt that it was necessary when they found that this great Government was spending a good deal of money in building up its Navy for them to get in the game. Immediately these countries would order the building of two battleships. Then these propagandists would come back to us, and they kept the trail hot from one country to the other, whispering around in secretive and insinuating ways that something was brewing in the world and that America must not be caught napping; that we had better build a tremendous navy also.

Mr. President, during the World War we built up a big Navy, and we now have a Navy second only to that of Great Britain, and she has the greatest navy in all the world. Growing out of the universal desire for peace and disarmament a conference was called in this city. England was represented in that conference. France was represented in that conference. Several of the powers were keenly interested in the outcome of that conference. This Government was a party to it; Japan was a party to it; and the paper this morning tells us that two of the great powers represented in that conference in the city of Washington are laying out stupendous sums to be spent for naval purposes and for armament purposes generally.

Mr. President, that suggests to my mind a situation that should have the serious consideration of Congress. If Great Britain and France here in this city but a little while ago, sitting with us at the council table and agreeing to cut down their armaments, are now going on in spite of that agreement and are expending stupendous sums, as this article says, to build up navies and land armaments, it would suggest to us that they are not keeping faith with the agreement written in the four-power pact.

One of the things that would be accomplished by the economic conference suggested by the Senator from Idaho [Mr. BORAH] in his amendment to this bill would be an inquiry into this sort of thing. Suppose we could have that economic conference, and we could have Great Britain and France in that conference, and others who knew whether an effort was really being made in good faith to get away from war, to prevent war in the future, or whether these people were camouflaging and deceiving us, and were saying that they were trying to prevent war and at the same time going on preparing and getting ready for another war. That is one of the things that would come out of this conference. That is one of the good ends that would be accomplished.

Another thought in that connection, Mr. President: As the Senator from Tennessee [Mr. McKELLAR] has said, if these countries are expending these huge sums, that is notice to us that they are able to pay us what they owe us. If they came here to Washington and told this country that they were going back home to cut down their appropriations for naval purposes and for land armament, and they are not doing that, but are turning around and are increasing their appropriations for that purpose, then they have deceived us. We ought to know the facts, and this economic conference that has been suggested would give us that information. We would know then, from all over the world, just what was going on along this line.

Prior to the time of the presentation of the amendment by the Senator from Idaho we could not find out what was going on here. I never knew, nobody here that I knew anything about had ever heard, that an effort was being made by the President or by anybody else to find out exactly the conditions in the Old World and to let it be known that this Nation was ready to cooperate in a friendly way toward bringing about a better condition in the world. My own opinion is that very little has been done along that line. I think one good thing accomplished by the amendment offered by the Senator from Idaho was to start something in that direction.

We could not get any news from the White House—that is, we did not. I feel that if the President was throwing out any feelers he should have notified the American people. That is something in which we are all interested. He should have notified the Congress that he was doing all in his power along that line.

Mr. CARAWAY. Mr. President, the Senator does not think he ought to have notified us before he found out himself that he was doing it; does he?

Mr. HEFLIN. Well, that would be quite difficult to do. He would have to find out himself, so I am just coming to that thought. It seems to me that we were enabled by the fight we made to get some statement from the administration as to what was going on, and I think good has been accomplished in that regard. The Senator from Idaho flushed the leaders on his side like a covey of birds with that amendment of his. The Senator from Illinois [Mr. McCORMICK] confessed that he took the

leaders by great surprise over there by the course he had pursued, and I remarked that the Senator probably had committed the unpardonable Republican sin because he had dared to offer that amendment without consulting the distinguished leaders on the other side.

Mr. President, the Senate and the country did not know what was going on, did not know that anything was going on, looking toward bringing about a conference of the nations of the earth; and somehow or other I can not help but believe that nothing in that direction of a serious nature was going on until we started it up here.

The opinion is general in the country that the Disarmament Conference that was held was forced by the action that we took here. The Senator from Idaho led in that suggestion, and the Democratic side backed him up in it. But for the support that he got on this side of the Chamber that resolution never would have passed. Now, it seems that the offering of this amendment to the naval bill has borne good fruit already.

The first day we discussed that amendment in this Chamber we did not get any assurance from the White House as to what was going on or would be done. We got a note from the White House suggesting that this thing ought not to be done, and telling the Senate to "lay off" of it. That is the spirit and the temper we found in the White House the first day this matter was discussed in the Senate. But when it dawned on those in authority that we were likely to adopt that amendment, that favorable action was going to be had upon the amendment, there was quite a different tone on the other side on yesterday. The Senator from Indiana [Mr. WATSON], who is always armed and equipped with information necessary to take care of a Republican crisis in this Chamber, was here with assurances that we are going to put out feelers, feel around in Europe to see whether or not an economic conference would be agreeable to those nations. The Senator from Idaho straightway rose and asked him if the Senator spoke authoritatively when he said that such was being done. He said, no; he was not speaking with authority, but he did know what was going on in that direction, and he stated on his own responsibility that such an effort was being made. Then the Senator from Massachusetts [Mr. LODGE] rose and assured the Senator from Idaho that steps were being taken, that feelers were being put out, that conversation was being had around in the Old World to find out whether those people would be agreeable to a conference of this kind.

Then the Senator from Idaho said, "What are you doing?" "Well, we are asking them if there is anything we can do toward helping them readjust matters and toward aiding them in improving conditions." Those are just about the words he used, and those are the words I used, and the Senator from Idaho and others said the purpose of an economic conference was to see if there was anything we, a great peace-loving Nation, could do toward aiding them, not toward canceling this public debt due us by the Allies, but what, in an economic way, is necessary to be done to bring about a better condition of things, to improve the prospects of peace in the world. The Senator from Idaho said:

If the Senator from Massachusetts, speaking for the administration, as he does, gives us that assurance I am ready to withdraw my amendment.

I repeat, up to that time we had had no communication from the White House as to what was going on; but listen to what the Post said this morning:

That the United States Government is making efforts to bring about such a conference was made known at the White House yesterday. Secretary Hughes, in an address at the annual meeting of the American Historical Association at New Haven last evening, outlined some of the features of the American plan.

Mr. President, if we have accomplished that much, we ought to be commended for what we have done. We want action along this line. We want to wake up the powers that be. We want them to know that the Senate is interested and that the people of this country are interested in having something done and in keeping on doing something until something of good and of value is accomplished.

We have seen the utter failure of the four-power pact. We have seen the failure of our ambassador to Great Britain, and he is coming back now, the Senator from Indiana told us. He said, "What is he coming home for now except to bring information regarding conditions in which we are interested?"

I had hoped he was coming home to stay. If I were President there would not be any doubt about that. His services would terminate immediately upon his arrival. I believe it was Mr. Hearst who not long ago stated, in a signed article, I have been told, that Mr. Harvey was recommended for ambassador by certain international bankers, and that he was appointed because of that influence. That is a pretty serious charge. He may be coming over here to bring some information regard-

ing the scheme of the international bankers. There are certain international bankers who want to cancel the debt due this Government by the foreign powers. Certain international bankers in the United States have owing to them about \$4,000,000,000 by foreign countries, and they do not want the debt due to our Government to interfere with the collection of their private debts, and they are undertaking to manipulate and so handle the debt due this Government that they can collect the four billions owed to them.

Mr. President, these international bankers do not want this foreign debt paid to our Government. They do not intend to have it paid. They are going to exert tremendous influence to have that debt canceled. I am going to continue to insist that the people of the United States have representation on that debt commission. They are not represented there now. The Republican Party alone is represented on that commission. There are five partisan Republicans on the commission and no Democrat, no Progressive, no anybody else except partisan Republicans. The Senator from Georgia [Mr. HARRIS] has offered a resolution providing for Democratic representation on the commission, to which I called attention yesterday and the day before, and I am going to keep on calling attention to it until the Senate and the other House recognizes the Democratic Party, which represents millions of American people, and until we have representation on that debt commission. Senators on the other side might just as well get it into their minds that we are going to have representation on that debt commission or they will never hear the last of it. What right have they to appoint five partisan Republicans to sit in judgment upon a thing involving \$12,000,000,000 owing to the American people?

I will wait until the conversation closes.

Mr. CURTIS. Mr. President, I think it is time to say there was no conversation going on on this side when the Senator said he would wait. There are more Republican Senators present than there are Democratic Senators. If the Senator wants to make his speech, he ought to go on and do it.

Mr. HEFLIN. Several Senators are at lunch. The Senator from Kansas was not talking at that time, but he was engaging in a whispered conversation just before that.

Mr. CARAWAY. Usually there are not enough on the other side to carry on a conversation.

Mr. CURTIS. We can get them if we want them.

Mr. CARAWAY. You can get them. You have them staked out, and you can bring them in, but they are never here.

Mr. HEFLIN. Mr. President, there are not enough over there to carry on a very vigorous conversation, and there will not be enough over there to carry on any kind of a conversation after the next election, and that will be a Godsend to the country. [Laughter.] I know what I am saying may not be very pleasant to some of the Senators on the other side, but they are going to hear a good deal about this thing until this wrong has been righted.

The Republican Party has no right to appoint five partisan Republicans to handle a debt of \$12,000,000,000 owed to the American people. That high-handed act may breed and bring forth a public scandal. There is something wrong about it and there is something rotten in it. It can not be defended in any tribunal of justice in the world. What right has any party to take an indebtedness due to the people of the United States and parcel it out for consideration to a few partisans of that party? They have not that right, and we are not going to remain silent and permit this thing to stand. I am going to fight for that change until I get it. We are going to keep up the fight until the people have been recognized and both parties are represented upon that debt commission.

This is a big question and concerns the whole people. Twelve billions of dollars belonging to the people of the United States is no small concern. It was whispered around this Capitol for weeks and months that the Republican purpose was to cancel this foreign debt. We know that the propaganda was so thick around this Capitol you could almost cut it with a knife; but we Democrats fought here, and fought on and on, until we frightened the other side, so that just before the election one or two of them came out and said they, too, favored the collection of the debt. The Republican leaders have not favored it until driven to it by the Democrats, and when a man is driven to a position like that he is not very deeply concerned about whether it succeeds or not. He may be compelled to take the stand because of the political exigencies of the hour, but \$12,000,000,000 owed to the American people shall not be handled by five partisans of any party if I can help it. I would condemn it if it were being done by the Democrats.

Senators, it is not right; it is unfair, unjust, and wrong. I repeat it can not be defended by anybody anywhere.

Mr. President, the Senator from Georgia [Mr. HARRIS] has offered a resolution providing that three Democrats shall be appointed by the President upon that commission. If we adopt his resolution we would then have eight—five Republicans and three Democrats—on the debt commission, and that would be fair and just to all. Why not have that? Who on the other side, authorized to speak for the Republican Party, will tell me to-day that they will agree to the passage of the Harris resolution which provides for the appointment of three Democrats on this debt commission?

Mr. HARRIS. Mr. President, I would like to state, in justice to the chairman of the Finance Committee, who has been absent from the city, that he informed me that he would call a committee meeting very soon to consider the resolution I offered and which the Senator is discussing.

Mr. HEFLIN. Mr. President, I am glad to hear that. They have waited a long time about considering it. I want them to consider it as soon as possible. It is of the highest importance to the American people.

Mr. MCKELLAR. What the Senator wants them to do is to consider it in the right way.

Mr. HEFLIN. Yes. I want them to consider it in the right way, to report it favorably, of course, and if it is not reported out soon I will ask the Senator from Georgia to request its consideration by the Senate.

I repeat, \$12,000,000,000 indebtedness is owed to this people, \$0,000,000 of whom are debt ridden and tax burdened to-day. Farmers all over the West and all over the South are having their farms sold for taxes. Senators, these people are in a deplorable condition in this country, and here is a debt of \$12,000,000,000 due to our people, and it is being mysteriously handled by a commission of political partisans. If we could collect a part of that debt it would lift the tax burden from their backs and hasten the day when prosperity and happiness would come back to them. But a commission of five Republican partisans are handling it, and I do not know what they are doing, but I am entitled to know what they are doing. I am a representative of a sovereign State in this body and a United States Senator interested in justice and fair dealing to all the people, and I speak for them when I say that we are entitled to know what that commission is doing, but the truth is we do not know. Nobody knows, I take it, except a few partisan Republicans and international bankers.

When the President of the United States agreed to the commission of five Republicans he committed a serious blunder and did a great wrong himself. When the leaders of his party in this Chamber and the other branch of Congress approved of that arrangement they perpetrated a grievous wrong and outrage against the proprieties of decency and fair dealing. I want them to hasten to right that wrong. It ought to be done. There is no fair-minded Republican in the country, man or woman, who, if the proposition was stated to them, would not say, "Yes; there should be Democrats on that commission—both parties should be represented upon it." Why were no Democrats put upon it? Somebody knows. There was a reason for it. I think that the purpose of debt cancellation was at the bottom of it. I think they intended quietly to manipulate it toward debt cancellation, carry on a propaganda, keep all the doings of the commission behind closed doors in partisan circles, and after a while force some plan upon the people when it would be difficult to prevent it. I fear something like that was back of it.

Mr. President, in order to allay suspicion, in order to clear up the whole thing, in order that the American public may know all about it and feel satisfied about it, let us put three Democrats on the commission. Then we would have a commission composed of representatives of the two great parties that speak for the American people. Let them suggest their negotiations, and one side or the other of those parties would let the public know and nothing harmful would be done without the people being apprised of it. I submit again in this free Government, or what is left of it, that we are entitled to have both parties represented on that very important debt commission.

I call upon the leader on the other side, I call upon the Senator from Kansas [Mr. CURTIS] now to say if he is not willing that the Democrats shall have representation upon that commission, which is to handle this great debt due to the American people. I yield to the Senator from Kansas if he wants to answer that question.

Mr. CURTIS. I have not asked the Senator to yield.

Mr. HEFLIN. Ah, Mr. President, the Senator from Kansas does not want to answer the question. There is no answer to it except to say that it is fair and right and just for Democrats to be upon the commission. I am surprised that the Senator

from Kansas, who is usually pretty frank about these things, does not get up and say that personally he would be willing for the Democratic people of America to have representation upon that debt commission.

Who bought the Liberty bonds? Democratic men and Democratic women the country over. Their money has gone into this indebtedness, of \$12,000,000,000 just as has Republican money. And yet this great army of Democratic men and women in the country are not represented, and the Senator from Kansas, the whip on the Republican side of the Chamber, declines to state that he believes they are entitled to representation upon that important commission. The Senator from Kansas declines to say either that he favors Democrats being on it or that he is opposed to them being on it. Well, Mr. President, the attitude of the Senator from Kansas is probably the attitude of his party. He is just about as audible on the subject as they have been and the answer that we get from the Senator from Kansas is grim and stubborn silence.

Mr. President, I submit that when the war was on and President Wilson, as Commander in Chief of the Army and Navy, called for these dollar-a-year men, they came, but how they did impose upon him. Some of the most partisan Republicans that ever breathed the breath of life came here offering their good offices and got into the Government and directed trade to the concerns which they represented at home and sold the Government their own manufactured material at magnificent figures. They made money out of the Government hand over fist. The President put aside every idea of partisan politics. He said, "It is an American war, and all the people are interested in it. To America the world is looking for deliverance, and I am calling Americans to the standard, boys to the battle front, men and women at home, for unity of purpose and concert of action."

That is what President Wilson summoned us to do. We did it and won the war. Then when it was over we found that our allies had borrowed from us \$10,000,000,000, and the interest now accumulated amounts to \$2,000,000,000, making \$12,000,000,000 in all. A new administration came in and proceeded to name a debt commission to handle the debt due the whole American people, and who did they put upon it? Men representing all the mass of the people? Oh, no! They made it a partisan commission of five, headed by the Secretary of the Treasury. It is said that he is exceedingly friendly with and interested in certain international bankers. I do not know whether that is true or not. He is on the commission with four other partisan Republicans.

What about the Democratic people of the country? They were patriotic. You Democrats, you poor woman whose son bared his breast to the enemy on the fields of France, you stinted yourself and bought Liberty bonds. The money which you gave to the Government in this way is involved in this debt, but you are not represented on the commission which is going to handle it. You do not know whether it is intended to collect the debt or to cancel it. You do not know what the commission is doing with it. You do not know whether they are going to postpone payment of it over a stretch of years reaching away yonder into the future, with an interest rate so small and infinitesimal that it will not amount to anything. You simply are not represented. Your boy represented you on the battle front. You spoke for your fireside with your funds. But the Republican Party has denied you representation upon the commission that is to handle that debt and say what shall be done with it.

You Democratic men who went out and made arrangements to buy Liberty bonds when you were not able to buy them—your substance is represented in that debt, but you are not represented upon the commission. Why not? Did you not do your duty in the war? Oh, yes. Did not this woman do her duty? Oh, yes. Your sons were on the battle front? Yes. Why, then, is such treatment accorded you? Because it is so ordered through this miserable policy of the Republican Party; that is why. Can it be defended? No; it is inexcusable and indefensible. It smells to high heaven with crooked doings and rank suspicion. I repeat, there is something wrong about it and something rotten in it. I may just as well talk plainly about it. The Republicans have no right to take a \$12,000,000,000 indebtedness because they happen to be intrusted temporarily with control of the Government and to secretly handle it behind closed doors, with nobody but Republican partisans sitting at the council table. They have no right to do it, and they are not going to continue to do it without solemn protest from me. We are going to have action upon that subject, or we will not have speedy action upon many other things at this session of Congress.

Mr. NICHOLSON. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. LADD in the chair). Does the Senator from Alabama yield to the Senator from Colorado? Mr. HEFLIN. Certainly.

Mr. NICHOLSON. I ask the distinguished Senator from Alabama if the party which was in power before the Republican Party came into power in 1920 had looked industriously after the interests of the people of the country, would they have loaned all this money to the European nations without any security? The party which failed to do its duty to the people was the party which loaned the people's money without any security.

Mr. HEFLIN. As usual, the Republican mind emphasizes money rather than men. The Senator from Colorado, and a very clever gentleman he is, seems to have been willing for us to send our boys over there without any guaranty of their return and to let them pour their blood out on the battle field and die without any assurance that they were coming back, but he would have us take security for our money right in the high tide of battle, when the liberty of the world was at stake. He would have had us stop and figure over securing a dollar when we were spending our boys by the thousands on the battle line. That is in keeping with the doctrine of the average Republican in office. He would have had us use more boys and more bullets and fewer dollars.

Mr. NICHOLSON. I did not say so at all. What I said was that if the Democrats who were in control of the affairs of the Government at that time had used business sense, had even used horse sense, we would not find ourselves in the condition in which we find ourselves to-day. We find \$10,000,000,000 loaned to Europe without \$1 of security. We are told that they do not even carry those loans as a liability when taking account of their liabilities.

Mr. MCKELLAR. Mr. President, will the Senator from Alabama yield to me just a moment?

Mr. HEFLIN. I yield with pleasure to my friend from Tennessee.

Mr. MCKELLAR. The Senator from Colorado, my good friend, I believe was not in the Senate at the time the loans were made. If he had been he would have done just what all the Republicans did. Every one of them voted for the loans to be made in just that way. Those loans were made by Congress, I believe, with absolute unanimity. The Republicans voted for them just as the Democrats did.

Mr. HEFLIN. Now my good friend from Colorado finds that the Republican horse sense on his side of the Chamber voted, as did the Democrats, to make these loans. We were in the midst of a terrible war, and we had to render financial aid to our allies in the form of loans.

Mr. NICHOLSON. I want to reply to my friend from Tennessee. Is it not a fact that a Democratic Congress conferred the power upon President Wilson to make those loans? Is it not a further fact that after the armistice was signed he loaned \$1,500,000,000 more of the people's money to European nations without security?

Mr. MCKELLAR. It was all done with the approval of Republicans as well as Democrats. It was done under an act of Congress.

Mr. NICHOLSON. It was done with the approval of President Wilson.

Mr. HEFLIN. My friend from Colorado has waded right in and he is now very cleverly wading out again. The Senator from Colorado, very clever Senator that he is, condemns the Democrats and innocently the Republicans, too, for loaning money to the European powers, our allies, in time of war when the money was to be used to purchase ammunition to use on the battle front to help our boys whip the enemy, but it develops now that the Senator's own party voted and approved of every step taken in loaning the money to the Allies.

Mr. President, many things were done under the necessity of war that would not be done in time of peace. At that time the whole world was looking anxiously to the battle front in France and hoping and praying that we might speedily end that terrible war in victory. That was what was going on. And when the allied nations called on us for money we loaned them that money. We did right in loaning it to them. We were sending over there our boys, the most precious treasure in the household of America, and if we were sending them there to die by the thousand, why not loan money to help win the war? The question I am now discussing, however, is in the collection of the money due us, and we want both parties represented on the debt commission, so that all the people will be represented and the country may know what steps are being taken in the direction of collecting the money owed to us.

Mr. MCKELLAR. Mr. President—

Mr. HEFLIN. I yield to my friend from Tennessee.

Mr. McKELLAR. I merely wish to call the Senator's attention to the fact that when the money was loaned no member of the Republican Party, to which my good and delightful friend from Colorado belongs, offered any such amendment as that now suggested by him.

Mr. HEFLIN. Certainly not. The intentions of the Senator from Colorado were good, but he was innocent of information upon the subject.

Mr. President, I believe the Senator from Colorado believes that it is right and fair for the Democrats to have representation upon the Debt Funding Commission, and I am now going to ask him if he does not believe that it would be fair for three Democrats to be on that commission with the five Republicans?

Mr. NICHOLSON. I am very frank to state to the Senator from Alabama that I think the Democratic Party should have had representation on the commission.

Mr. HEFLIN. Mr. President, I knew that the big, clever, western Senator felt that way in his heart. I now offer the opportunity again to my friend from Kansas [Mr. CURTIS] to say that he, too, is willing for the Democrats to be represented upon that commission. But silence is his answer. I will now ask the Senator from Utah [Mr. SMOOT] if he does not believe that it is fair, and just, and right for the Democrats to be represented on the Debt Funding Commission? The Senator from Utah is a member of that commission, and I ask him if he does not think that the Democrats are entitled to representation upon it?

Mr. SMOOT. Mr. President, the Senator from Utah is not going in any way, shape, or form to become a party to the filibuster that is on this afternoon.

Mr. HEFLIN. Oh, Mr. President, how innocent and meek the Senator appears. His answer to the proper and simple question that I propounded is one of the profoundest answers ever made in this Chamber. He is not going to be a party to a filibuster. That is just like asking a fellow if he is guilty or not guilty and he says, "I do not want to take any part in these proceedings." [Laughter.] If a man were to say that before a judge he would probably be sent to jail for contempt of court, but the Senator from Utah is on that Debt Funding Commission and he knows that they can do as Republican partisans please, and perhaps he does not want to be disturbed by the presence of Democrats. The able Senator from Colorado [Mr. NICHOLSON] said:

I will be perfectly frank and say that I think the Democrats ought to be represented on that commission.

Who else on the other side believes that the Democrats of America should be represented on that commission? I pause for an interruption from any or all of them. What other Republican Senator believes that the Democratic people of America are entitled to be represented on that commission? [After a pause.] No one responds. Mr. President, I want to get their names, the names of those present, because I am going to be in their States in the next campaign, and I am going to confront them with the same question unless they give us representation on that debt commission.

This is the people's business. I am not saying anything I ought not to say. Free speech is guaranteed; open debate is vouchsafed in the Senate under the Constitution and the rules of the Senate, and I am going to avail myself of it.

Work on bravely God's own daughters,  
Work on bravely God's own sons,  
But 'till ye have smother waters  
Let truth fire her minute guns.

There is but one place where we can absolutely get the truth to the people, and that is in this Chamber and in the other. We can not talk to the people throughout the country except here; I mean we can not go out into the various States when Congress is in session and matters are pending here that vitally affect the people; but we can talk here upon those questions, and the people who come to this gallery on their tours to Washington can take back the message to their people at home that there are yet a few here who believe that this is a government of the people, by the people, and for the people. I say that under the arrangement under which the Debt Funding Commission is operating it is not a government of the people; it is a government by partisan selfishness and chicanery. I believe in holding parties responsible to the people for the conduct of the government under their control, and we are going to hold the Republican Party responsible for both its conduct and misconduct.

Who studied out this debt-funding partisan plan? Who inspired it in the beginning? Who was it that did not want anybody but partisan Republicans upon the commission? Who was it that cried out against putting even one Democrat on it? What interest is back of this procedure? Who is it that is interested to such an extent that no Democrat is permitted to

appear upon it to speak for the great body of the Democratic people in the United States? Senators, you are going to be confronted with these questions many times before you are through. I do not intend that you shall forget them.

Now, I desire to refer to another matter. I have spoken longer than I intended, but I want to say in all sincerity that I am not now engaged in a filibuster. The Senator from Utah excuses himself in the most feeble and lame fashion by saying that he is not going to participate in any way in what he calls a filibuster.

It would not take him more than a second to say whether he favors the Democrats having representation on the Debt Funding Commission or not. He could say "yes" or he could say "no," and it would not take him but a second or two to say that; but the Senator from Utah dodges and undertakes to evade the issue by saying that he does not want to participate in any filibuster. There is no filibuster here to-day, Mr. President, but it may be that there are those on the other side who do not like to hear me talk thus plainly for the rights of the American people. It has been here very much out of fashion under Republican rule to do that, but that kind of discussion is coming back into fashion and is going to become more fashionable as the session of the Senate waxes older.

Why can not the Senator from Utah tell the Senate and tell the country that he is in favor of our having representation upon that commission, or why can he not say, as his silence indicates, that he is opposed to our having representation upon that commission? Suppose I were to be asked if I believed in Jesus Christ, and I were to say, "I am not going to participate in the filibuster that is going on," what would every Christian in the country believe my position was on the subject? They would say, "He is an infidel; he does not believe in the doctrine of the Christian religion." But I do believe in it with all my heart, and I would avail myself of the opportunity of saying so if that question were put to me. I would not hide behind a subterfuge of any kind to avoid answering the question, but I would promptly answer "Yes." I have asked the Senator from Utah, himself a member of the Debt Funding Commission, appointed to handle this indebtedness of \$12,000,000,000, "Do you believe that the Democrats should have representation on that commission?" and the Senator declines to answer, because, forsooth, he does not want to participate in a filibuster. I asked that question of the Senator from Colorado [Mr. NICHOLSON], and he said, "I will say frankly to the Senator from Alabama that I think the Democrats ought to have representation upon the commission." That is the way to talk right out in meeting. That is the honest American way of talking. I do not know where this mysterious opposition to having Democrats on the debt commission comes from, although it may come from the international bankers.

Mr. President, it is becoming fashionable with certain leaders on the other side to minimize big things in this Government and to simply pass them by, or to shove them out of the way, and let them go. Little by little and bit by bit the liberties of the American people are being encroached upon by the powerful and mysterious influences back of the party in power. What step fraught with more evil and danger could have been taken than the one to which I have called to your attention to-day?

The debt is due, I repeat, not to the leaders of the Republican Party, not to the campaign committee of the Republican Party, not to the Republican Party itself, but due to the whole American people. It amounts to \$12,000,000,000, and yet when the time comes to devise ways and means for collecting it or for handling it and looking after it, none but partisan Republicans are appointed on that commission. When those commissioners meet and anything is discussed, I imagine it will be said, "Do not say anything about this; do not say anything about that now; do not let the Democrats get hold of that; we do not want this to get out; we want to keep all of this to ourselves until we get ready to tell it to the public"—when it will be too late, everlastingly too late, for the public to protect itself.

Secrecy! Why, they used to condemn the Democrats. They told us about what Wilson was doing, making this mistake and that, saying he did not take them into his confidence. Are they taking us into their confidence? Are they taking the mass of the American people into their confidence? Are the people being told about what is being done with this indebtedness? Suppose you, Mr. President, and I and eight others were interested together in a partnership and somebody owed us a million dollars, and five of us were Democrats and five were Republicans, and the five Republicans got off in a corner and said, "We have met and have named three of our number to look after the collection of this debt," and the five Democrats would say, "Well, we are interested in the matter; we want to know what is being done;" and the reply would be made, "We can not tell you yet because we have named three Republicans to look after it," and the

Democrats would say, "We are Democrats; we are interested, too, and we have not been represented;" how long would you stand for that situation, Mr. President? I think you would go into court, as I would, and say, "I will not be treated in any such way." Yet the party which went into power in 1920 names a debt commission composed of five partisan Republicans.

Every one of them is a hide-bound, old-time, stand-pat Republican. They are Republicans, good and strong; but I am not objecting to that if you will put some Democrats on the commission. I have a right to demand that you do it.

Mr. President, I repeat I would not be willing for any party, not even my own party, to name a partisan commission of five men to handle an indebtedness of \$12,000,000,000. I am trying to do the right thing and the fair thing. I am going to keep on insisting on it here; and if Senators on the other side want to progress with legislation, they can do it by putting three Democrats on this commission and bringing in here a farm credits bill that has teeth in it. Those two things you will have to do before the 4th of March, I serve notice on you now. There are several of us here who will work to that end. We are entitled to both. We are entitled to have three Democrats upon this commission. We are entitled to have a banking system that will give relief to the oppressed and ill-treated farmers of America.

Mr. President, I will say this in conclusion, and then let the Senate proceed with the consideration of the naval bill:

We want to collect this debt that is due us. We do not want any secret conclaves held behind closed doors regarding it. We are entitled to have this thing done in the open. The American people, whose Government this is, are entitled to know what is being done with this important matter which affects them so vitally.

What did President Wilson tell you in 1919? He said to the Senators:

If the League of Nations is not accepted, or some international agreement entered into, you are going to find new troubles breaking out in the Old World. You are going to find agriculture depressed in this country. You are going to find your wheat farmers injuriously affected by it. You are going to find your cotton producers injuriously affected by it. You are going to find disturbance the world over as a result of your short-sighted policy.

Was he not a prophet? What he told you would occur has occurred. The Old World to-day, portions of it, are in a state of ferment, and war is actually in progress in some places. The farmers of the wheat-growing States have their farms mortgaged and their cattle mortgaged and their crops mortgaged and their lands advertised for sale for taxes. The farmers in the South have their land mortgaged, their cotton mortgaged, and their lands advertised for sale for taxes.

Oh, Mr. Wilson was a prophet. He told you what would happen, and the party responsible for all these ills now puts a debt commission on us of five partisan Republicans. Shame on the party that will insist that that thing stand! It stands as a scarlet letter of wrongdoing upon the brow of every Republican who voted for it, and the only way you can remove that scarlet letter is by voting to put three Democrats upon that debt commission. Then you will have done the fair and honest thing. Follow the example of the Senator from Colorado [Mr. NICHOLSON] and stand up before the Congress and your country and say, "Deep down in my heart I must confess that I believe that it is right and just that the Democrats should be represented on the \$12,000,000,000 Debt Commission."

Mr. HARRIS. Mr. President, I did not know that my good friend, the Senator from Alabama [Mr. HEFLIN], was going to discuss the merits of my bill to-day. When I introduced the bill providing for the appointment of three Democrats on the Debt Funding Commission, I stated that it was done to prevent partisan discussion of the more than eleven billion dollar debt owed to this country. Without any criticism on my part—his argument was unanswerable—I think the Senator's partisan speech to-day is the best reason that could be offered for the adoption of my measure. This debt is the greatest financial problem that the Congress of the United States will have to solve within the next century, probably; and every Senator knows that it can be solved in a nonpartisan way very much better than if it is done by a partisan commission.

I have heretofore stated that I had the utmost confidence in the members of the commission. I have no criticism of their ability or integrity, but it will be admitted by every Member of this body that there are Senators on this side of the Chamber equally as honest and able to discharge the duties required of this commission. I think you will all agree that Senator GLASS, who was Secretary of the Treasury under the last administration, is probably more familiar with this work than any Senator on either side of the Chamber. There are other Democratic Members of both the House and Senate who

would reflect credit on themselves and our Government in the discharge of their duties on this commission.

As the Senator from Alabama says, the money we loaned the European countries, our allies during the war, was raised by selling bonds to loyal citizens; even widows and soldiers fighting at the front denied themselves to buy these bonds to conduct the war. It was a nonpartisan war, and I think it is going to be difficult to collect this debt and we can certainly solve it better if we prevent any excuse for partisan discussion.

As I stated, I think it is the most difficult financial problem we shall have to solve, and I think we ought to get away from politics in the solution of it. The Congress that finally settles the matter may have a majority of Democrats in both Houses. It is going to hurt this country if the question of politics must enter into every suggestion that is brought here by the debt funding commission. My bill was introduced with the hope of avoiding any partisanship. I have discussed it with Members on both sides of the Chamber and I am glad to say that Senators on the other side of the Chamber with whom I have discussed it have told me that it met with their approval.

If I viewed this from a partisan standpoint I would prefer a Republican commission, but this is too important to let politics influence us. My bill provides that the President shall make the appointment. I have already discussed the matter with Chairman McCUMBER and other members of the Finance Committee and have been assured of an early meeting of the committee to consider the matter.

Mr. McKELLAR. Mr. President, I suppose now my amendment will be voted upon. I ask for a rising vote on the amendment I have offered.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Tennessee.

Mr. NICHOLSON. Will the Chair have the amendment stated?

The PRESIDING OFFICER. The amendment will be stated. The READING CLERK. On page 30, line 8, it is proposed to insert:

*Provided further,* That the enlisted forces of the Navy shall not exceed 67,000 men.

On a division, the amendment was rejected.

Mr. KING. Mr. President, on page 47, at the end of line 15, I move to add the following proviso as an amendment:

*Provided,* That this appropriation shall not be available for the pay of more than 17,500 enlisted men of the Marine Corps during the fiscal year 1924.

Mr. President, Senators are desirous of disposing of this bill at the earliest possible moment so that an adjournment may be taken until after the New Year. There are a number of provisions which I should like to discuss with a view to modifying some of the provisions of this bill and reducing some of the items of appropriation. I appreciate the futility of any discussion or any effort to reduce the amount carried in this bill. Senators seem to be obsessed with the idea that we must make larger appropriations for both the Navy and the Army than were ever made in the history of this Republic except during the Civil War and the World War. The Army and Navy bills for 1924 will carry more than six hundred million dollars. This sum is so stupendous that the American people will be amazed and they will wonder what situation demands the laying of such a heavy burden upon their backs. We have been told that no reductions can be made in the general appropriations for other branches of the Government. Indeed, the requirements for vocational education and to meet what is conceded to be proper for those who are suffering from disabilities resulting from their military and naval service will probably be greater than for the current year. It was felt by many, and certainly that view was entertained by the American people, that the demands made by the Navy Department and the War Department would be very much less for the next fiscal year than for the present year. The amendment which I have offered deals with the Marine Corps. Several years ago a certain ratio was established between the number of enlisted men to be maintained in the Marine Corps and those who were to be found in the Navy. Whether that ratio was founded upon any valid reason may be questioned. At any rate the ratio was maintained. Now the purpose is to disregard such ratio and to give to the Marine Corps a greater number of officers and men than would be justified if such ratio was to be followed. Perhaps no organization within the Government has been more successful in presenting its claims for proper recognition and for appropriations than the Marine Corps.

It has been most successful in its efforts to obtain appropriations and secure the favor of Congress. I am making no complaint. Indeed, I rather admire the efficient manner in which it and its friends have proceeded to accomplish the purposes

of those connected with the Marine Corps. I do not derogate in any manner from the honor and glory to which this splendid organization is entitled. Some of the most gallant officers to be found in any country have important places in the Marine Corps. Perhaps there is no more efficient fighting force in the world than the Marine Corps of the United States. The marines, whether they are serving upon land or upon sea, have brought honor to their organization and glory to this Republic. Mr. President, I speak with a deep feeling of appreciation for the heroic work performed by the marines of our country. But while appraising them for their valorous deeds and paying tribute to their splendid organization we should not be indifferent to other considerations inseparably connected with the welfare and vital interests of the Republic. I think the effort to militarize this Republic is very strong at the present time. Naval officers and military commanders are active in their efforts to impress upon the people the importance of strengthening our Army and building up a mighty Navy. There is a determined effort to prevent any reduction in the personnel of the Marine Corps, and this bill provides for a number greatly in excess of that found prior to the war. In my opinion the force is too large and should be reduced to ten or twelve thousand. My motion, however, calls for 17,500 enlisted men of the Marine Corps. It seems to me that Senators should support the motion notwithstanding their desire to maintain a strong organization. As I have hastily figured it, if my motion were adopted it would approximate the ratio which I have referred to and which existed for a number of years between the number of the Marine Corps and the number of enlisted men in the Navy.

Mr. President, there are only two countries in the world who provide for marines upon battleships. Great Britain, because of her vast colonial possessions, was compelled to have a marine force with most of her battleships. The outbreaks and revolutionary movements occurring from time to time in her many ports called for a considerable number of her marines upon her fighting craft. The United States followed the example of Great Britain in placing marines upon capital ships. However, the reason which called for England's policy does not exist so far as the United States is concerned. Naval officers have told me that it was a mistake to attach marines to fighting ships. I have not time to present the reasons given or to argue the wisdom or lack of wisdom of this policy. I should add, however, that our Government has been making excursions into policies which many denominate imperialistic and which has called for the employment of marines upon foreign shores. We are unwisely keeping marines in Haiti and Santo Domingo and in one of the Central American Republics. There are now perhaps 3,500 or 4,000 marines in the Dominican Republic and in the Haitian Republic. We have no business in either of those countries. Mr. President, if time permitted I would like to present to the Senate figures showing the cost of maintaining the Marine Corps, the number and grade of its officers, the increase in the number of personnel since the organization of the corps, and generally such facts as in my judgment called for a material reduction in this force. However, as stated, the anxiety of Senators to adjourn leads me to forbear from entering upon a discussion upon these matters. I will therefore ask for a vote upon my amendment.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Utah.

The amendment was rejected.

Mr. KING. Mr. President, on page 47, at the end of line 15, I move to add the following proviso:

*Provided*, That no part of said amount shall be used for the purpose of maintaining or employing marines, either officers or enlisted men, in the Republic of Haiti or the Dominican Republic after June 30, 1923.

This subject deserves full discussion at the hands of the Senate, but I shall not now do more than to offer a few words in support of my amendment. Mr. President, whatever causes existed justifying the military and naval occupation of the Dominican Republic and the Republic of Haiti, it can not be claimed that they now exist. In my opinion, we are not justified in occupying either of those countries. It is almost impossible to determine what the costs are to the American people resulting from these imperialistic policies which find expression in the occupation of Haiti and Santo Domingo. We have kept in those two countries for a number of years several thousand marines at a cost of millions and tens of millions of dollars to the taxpayers of the United States. I am glad to know that the administration has announced its purpose to withdraw in the near future from the Republic of Santo Domingo. The people of that country were aggrieved at the course pursued by the United States. They did not invite our Nation to take possession of their Government and to maintain by

force the control of their territory. The course of our Nation was condemned by the Latin-American people, who viewed with alarm what they regarded as a policy of territorial conquest upon the part of this Republic. The people of Santo Domingo protested in a most vigorous way against the occupation of their territory. They let their disapproval be known, particularly to the Latin-American people. They protested to our own Government and sent delegations to the United States demanding that the military and naval forces of this Government be withdrawn.

I repeat, Mr. President, we have no right to take possession of this country or to superimpose upon them a government which to them was hateful, as it would have been to the American people themselves. A military or a naval government, no matter how generous or considerate those in control may seek to be, is oppressive. It can not be otherwise, and when a powerful nation such as the United States sends its warships and its marine forces to a weak country and at the mouths of its guns takes possession of their country and their government, the anger, indignation, and fear of such people inevitably will be aroused. And it is not a sufficient answer to say that our Government seeks the welfare of the people.

The people of Santo Domingo have the right to determine their own form of Government and lay their own taxes and to expend them as they may see fit. We may give a better government to the people of Haiti than they can devise themselves, but our Government is not their Government, and, no matter how wise or benevolent or progressive or just and generous the conduct of our Government may be in dealing with the Haitian people or the people of the Republic of Santo Domingo, resentments will be aroused and opposition and hatred developed. Mr. President, I inquired at the State Department this morning as to when our Government would withdraw its forces from Haitian territory. I was advised that no plans had been developed looking to the withdrawal of our military or naval forces. Mr. President, in my opinion we are not justified in keeping our war vessels in Haitian waters or our marines upon Haitian territory. The people of that country are opposed to our intervention and to our occupation of their lands. The Government of Haiti is not their Government—it is our Government. We are in control of the country. Our marines are there. Our war vessels occupy their harbors. The Haitian people feel that we are there because of our strength and power, not because we have the moral right to be there. We control their fiscal policies. If we do not levy their taxes, we determine what the internal and police policy of the Government shall be. Our occupation of Haiti has caused the lives of between two and three thousand Haitian people. They believe that we were their oppressors and that we sought to take from them their country. I do not mean that all of the Haitian people regretted our occupation, but I am persuaded that the great majority of the Haitian people resented and still resent the course of the United States in forcibly taking possession of Haiti.

Mr. President, we may try to sugar coat our occupation by fine phrases, but the fact is that it is a military occupation. We govern that country by force and we impose upon them our will, or at least the will of those whom we sent there. It will be claimed that we are there pursuant to a treaty. Mr. President, I have not the time to discuss that contention, but will only remark that the treaty, so called, was a mockery. It did not represent the national will—the will of the Haitian people—and it does no credit to the United States to justify its position and conduct in Haiti by pleading such treaty. But conceding that we did take possession of Haiti under a treaty, the reasons which some suppose justifies our Nation's course no longer exist, and we should withdraw our forces and deliver the country back to the people to whom it belongs.

Mr. McKELLAR. Who bears the expense of that occupation—does the American Government bear all expenses of it or is any portion of it charged to the Government of Haiti?

Mr. KING. We bear the expense. All the marines who are there we pay for. The expenses incurred in connection with the keeping of vessels in the harbor we meet. We have a little over 2,000 marines in the island of Haiti, as I now recall, and we bear the expenses of their occupation. All of the expenses incident to the naval occupation of the island are met by the Government of the United States.

Mr. McKELLAR. Are taxes imposed upon the people to pay the expenses of the civil administration of the government, or how is it done?

Mr. KING. Mr. President, the naval forces are maintained upon the island at the expense of the United States. It has cost the taxpayers of our country tens of millions of dollars to keep warships in Haitian harbors and thousands of marines upon Haitian territory. We have a number of persons em-

ployed in the administration of the fiscal affairs of the country, and, as I understand, the taxes imposed upon the people of Haiti are employed in part to pay them.

Mr. President, the people of Haiti have the right to determine their own form of government. It is true that most of the people of Haiti are negroes. Their history is a tragic one. It is also true that they have not made the progress in civil government, in education, and along the lines of the accepted standards of modern civilization that many desired. But the history of the people of Haiti must be remembered. Hundreds of years ago thousands of negroes were taken from Africa and landed in the island of Haiti. They were held in slavery for many years. Finally they threw off the authority of France and established a government of their own. They have made serious mistakes in their governmental affairs. Cruelties and wrongs are recorded upon many pages of their history, and yet they have made progress, and thousands of the Haitian people have attained a high state of culture, education, and refinement. But the mistakes of the people, the limping and imperfect government, the wrongs and oppressions there found, are not sufficient justification for our Government to take possession of the country and impose our will upon them. The people of Haiti have a right, as I have stated, to determine their own course and to determine their own government. They are opposed to our occupation of the island, and they demand that we leave their shores.

My amendment calls for our withdrawal by the 1st of July. That allows several months for the completion of such arrangements as may be regarded as necessary in order that the withdrawal of our forces might not result in any disorder. That will give ample time for the people of Haiti to set up their own government and to put into operation such machinery as they regard as necessary for the conduct of their civil and political affairs.

Mr. President, I sincerely hope that my amendment will be adopted.

Mr. ODDIE. Mr. President, I have listened to the remarks of the able Senator from Utah, and will say just a word in reply, as I am familiar with the situation in regard to our occupation forces in Haiti and San Domingo, because last year I visited those countries with the other members of the committee appointed by the Senate, the Senator from Ohio [Mr. POMERENE], the Senator from New Mexico [Mr. JONES], and the Senator from Illinois [Mr. MCCORMICK], the able chairman of the committee. We held many hearings, covering hundreds and hundreds of hours. We visited the island, traveled extensively, had hearings all over the island, in both Haiti and San Domingo, heard many witnesses, and submitted a report.

As the Senator has not gone into details, I will refrain from doing so, but I would like to call the attention of the Senate to a few matters mentioned in the report, which was made April 20 of this year. I will not go into the history of the occupation, because the time is short, but I will say that our committee investigated things thoroughly and carefully, and we submitted a unanimous report. Two Republicans and two Democrats were on the committee, and our unanimous report shows that there were no politics involved. We looked at the matter from an impartial standpoint.

It is well known that there was no popular representative government in Haiti before we went in. The chaos which had existed there since the time the French were driven out by the Haitians in 1804 is a matter of history. It is known that by our convention of 1915 there was provided a receiver of general customs, a financial officer, and a director of public works and sanitation, to be nominated by the President of the United States and appointed by the President of Haiti. I have just visited Haiti in the last two weeks and studied the situation there carefully.

Mr. McKELLAR. Will the Senator inform us whether those officials who were appointed, as he has stated, are paid by the Haitian Government or by the American Government? How are they paid?

Mr. ODDIE. I understand that a certain percentage of the internal revenues goes to the payment of some of these officials. The Senator from Ohio is here now, and perhaps he can give some information in regard to the payment of the financial adviser in Haiti.

Mr. McKELLAR. My question is whether they are paid by the American Government or by the Haitian or San Domingan Government.

Mr. ODDIE. My understanding is that 5 per cent of the internal revenues goes to the payment of those officers.

Mr. POMERENE. Mr. President, I do not recall definitely in that respect, but my understanding has been that the marines are paid by the Federal Government, except that portion of the officers of the marines who are in charge of the con-

stabulary or the gendarmerie, as they call it. They are paid by the Haitian Government.

Mr. McKELLAR. I suppose they are just given salaries in addition to their regular salaries in the Marine Corps. Is that correct? I should think that would be a very reasonable proposition, if they were given additional duties.

Mr. POMERENE. I can not state that with accuracy; I do not know.

Mr. ODDIE. Certain things were suggested by our committee in the report. One was that a commercial adviser be sent down to Haiti; and a man has been sent down there, with the title of trade commissioner, who virtually occupies the position of commercial adviser. He is at present making an exhaustive study of conditions both in Haiti and Cuba. At the request of the President of Haiti a representative has been sent from Tuskegee Institute. Doctor Moton, the president of the institute, was requested to visit Haiti himself and study industrial and commercial conditions and suggest plans for the establishment of vocational education, but he was unable to go himself, and at the request of the President of Haiti, a very able and splendid man, there was sent as his representative Doctor Williams, a prominent and distinguished representative of that institute.

I ask permission to put in the Record the report of the committee made June 26 last.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See Appendix.)

Mr. McKELLAR. Is that a very long report?

Mr. ODDIE. No; it is not very long.

Mr. McKELLAR. I would like to read the report. I have sent for a copy of it.

Mr. KING. The whole report has been printed.

Mr. McKELLAR. I have sent for a copy of it, and I would like to read it. I have not read it before.

Mr. ODDIE. It is a very interesting report, I will say to the Senator.

Mr. McKELLAR. I regret that I have not read it, and I shall read it right away.

Mr. ODDIE. A great deal of very damaging and misleading information has been spread broadcast in this country in regard to the American occupation and in regard to the action of our Marine Corps and our Navy. It is particularly unfortunate that those reports have gotten out, and I hope the American people will take occasion to study this report and study the results that have been obtained in Haiti. I feel sure that our officers and enlisted men there will be amply vindicated and applauded for the splendid work they have done under great difficulties.

I ask permission to insert in the Record a report of the American high commissioner, giving a brief outline of accomplishments in Haiti under his administration since our committee made its report.

There being no objection, the matter was ordered to be printed in the Record, as follows:

#### RÉSUMÉ OF ACCOMPLISHMENTS IN HAITI.

A measure of the accomplishments of the American occupation in Haiti since the assumption of duties by the American high commissioner on March 13, 1922, is shown in the summary that follows:

##### POLITICAL.

1. Giving to Haiti for the first time in its history of 118 years an absolutely free election for President of the Republic.
2. The unprecedented spectacle in Haiti of a presidential inauguration, free from military coercion or violence, at which the incoming and the retiring Presidents took part.
3. Centralization of control in the office of the American high commissioner over all officials representing the United States in Haiti, a vitally needed move that has done away with friction, duplication of efforts, and has resulted in full cooperation and interchange of ideas.
4. Full publicity as to the mission of the United States in Haiti through the medium of the Haitian press and by speeches at official functions.
5. Indoctrinating the people with the desire of the United States to uplift the illiterate and poverty-ridden mass of Haiti that constitutes not less than 95 per cent of its population of 2,500,000.
6. Fostering among the people the necessity for all factions working in accord for Haiti through the medium of the press and the circulation of popular slogans emphasizing the necessity.
7. Passage of the law of June 26, 1922, authorizing the loan of \$40,000,000 and ratifying the protocol of October 3, 1919, by which the Haitian Government obligated itself to negotiate such a loan.
8. Authorization of the appointment of a claims commission for the settlement of all pending claims against Haiti.
9. Arrangements made for the creation of an internal bond issue for the settlement of the long-standing internal and floating debts.
10. Transfer of the bank contract of the National Bank of the Republic of Haiti, permitting its reorganization along modern American banking lines.
11. Establishment of the Gendarmerie Department of Central Haiti with headquarters at Hinche. This, with the establishment of a court of first instance at Hinche, will make this hitherto isolated interior town one of considerable importance and materially aid in stabilizing this formerly turbulent area.
12. Withdrawal of United States marines from the interior towns of Maïssade, Thomonde, and Lascahobas and issuance of orders.

13. Increased efficiency of the gendarmerie by intensive drills, rifle practice, primary education, athletic contests, establishment of fingerprint bureau for identification and apprehension of offenders of the law, opening of recruit training stations in central Haiti, introduction of post exchanges and messes modeled after those in the Marine Corps, and material reduction in operating expenses through a depot of supplies to supplant scattered storehouses, and changes in the national penitentiary that have reduced the cost of uniforms and of rations.

## ECONOMIC.

1. Comprehensive and detailed agricultural survey of Haiti begun and completed through employment of American agricultural expert who has specialized for many years in tropical countries.

2. Distribution of vegetable seed, both tropical and American in character, to interior locations, the agricultural farm, and through individual growers, with advice as to soil, planting, care, and methods of avoiding and combating crop blights.

3. Taking advantage of the low rate of exchange to purchase certain bonds of the French loan on the Paris market at a discount, thus effecting a considerable saving to the Haitian Government.

4. Establishing of a supply system under the department of public works for the purchase of supplies in bulk, effecting a considerable saving to the Haitian revenues, and installation of modern accounting and loose-leaf ledger systems for all services.

5. Through the services of two expert hydrographers from the United States Geological Survey a thorough foundation for a stream-gauging service, preliminary to irrigation projects on a large scale, has been laid. This work will be continued until records of stream flows throughout Haiti have been completed and the stream-gauging service made a permanent one.

6. In addition to present irrigation on a modest scale in the Leogane, Arcahaie, and Cul de Sac Plains, preliminary surveys for irrigation projects on a large scale have been made. Most important is the study of the irrigation possibilities in the Artibonite Valley that has determined that about 100,000 acres of excellent soil, now unproductive, can be utilized. Another preliminary survey has been made of a project to divert water from the Gros Morne River for irrigation of 6,000 acres in the Gonaives Plain. The completion of a modern concrete diversion dam in the Mathaux River, 100 feet long, with steel gates and a light suspension bridge, has diverted the waters of that river into existing irrigation canals on both sides.

7. Steady, permanent improvement has been made in the hydraulic service now operated in nine cities of the Republic. The water-famine problem produced by a severe drought in the vicinity of Cape Haitien, the second largest city, has been solved by sinking artesian wells that will ultimately prove a permanent source of much-needed water supply for the Great Plain of the North. The further utilization of artesian wells will provide supply for small towns suffering from inadequate water. Besides placing the Port au Prince fire department under the gendarmerie, a salt-water fire system delivering a pressure of 150 to 175 pounds in sufficient quantity to serve eight hose lines has been placed in operation.

8. Extended development of water supply for Port au Prince, Gonaives, and Aux Cayes nearing final completion of modern systems. Plans completed for reconstruction of water system at Anse-a-Veau and work commenced.

9. Completion of installation of automatic telephone system in Port au Prince, with 300 telephones in service. Through cooperation of gendarmerie and mayors of towns and utilization of material from discarded overhead system, plans made for three new telephone lines in the north, south, and central regions, respectively.

10. The most important posts in the Republic now have modern telegraph-office equipment and receipts exceed same period last year by 30 per cent. Modern technical training of the personnel has been developed and plans for the complete rehabilitation of the telegraph system completed.

11. The lighthouse service has been extended by installation of four automatic acetylene lighthouses at points most needed by mariners and essential for Haitian commerce. One light, at Cape Dame Marie, has been reported visible at 16 miles. Standard steel buoys have been placed in the harbor at Port au Prince, a tower and structure for lighthouse at Jacmel erected, and the lighting apparatus at Port au Prince remodeled and almost ready for operation.

12. In addition to the usual maintenance and improvement of existing roads, the new dike road in the Artibonite district has been steadily improved, and has resulted in uninterrupted communication along the important St. Marc-Gonaives road, a link in the Port au Prince-Cape Haitien road that was practically impassable for four months of the corresponding period in 1921. The survey and plans for a road to Jacmel from the capital have been completed; preliminary surveys completed for the Lascahobas-Belladere and the Lascahobas-Hinche roads, all vitally needed; and a new maintenance organization for all roads worked out and in active use. Standardized bridges of timber in four lengths are being planned that will meet all needs, and material for 50 is being collected in Port au Prince.

13. A fireproof building for Government archives has been completed in Port au Prince and repairs made to various public buildings. A new school at Jeremie will be ready to accommodate 300 pupils early in October.

14. A comprehensive city planning is well under way for Port au Prince that will combine traffic needs, improvement of the palace grounds and the Champ de Mars, now bare and unattractive settings for the handsome new palace, a botanical garden, and city playgrounds. Haiti to-day is without a children's playground.

15. Following the field survey for oil made last year by the Geological Survey, a pamphlet on Haiti's oil resources has been issued for general distribution by the public works department, which is also preparing to distribute topographical and geological publications that will make available much valuable data.

16. Drafting and submitting to the Haitian Government a modern forestry law, designed to prevent the growing deforestation of the country.

17. Drafting and submitting to the Haitian Government of a traffic law.

18. Drafting and submitting to the Haitian Government of a plan for the formation of a rural police force under the supervision of the gendarmerie.

19. Drawing up a program of development work covering the next two years.

20. The filling in of salt-water marshes and measures to eradicate mosquitoes and other sources of infection, including the continuation of an active campaign against rats, have been carried on at various points. A site for quarantine station at Port au Prince has been selected and plans for the buildings drawn. At present Haiti has no such station.

21. Hospital construction work includes a ward for tubercular patients at Cape Haitien, completion of an operating room and nurses' quarters for the general hospital, and the erection of two new wards; partial completion of a hospital for Jeremie; and renovation and extension of the hospitals at Gonaives and St. Marc.

22. Free dispensaries have been established at the interior towns of Mirebalais, Hinche, and Grande Riviere du Nord, and large numbers of natives are being treated at these isolated places, where previously no medical treatment was available. Plans for the extension of this service are waiting only on funds.

23. The collection of vital statistics is being developed by the Public Health Service through the cooperation of the gendarmerie and Haitian officials to a point where 60 per cent of the communes are now making returns, as compared with 10 per cent in former years.

24. A complete program for the development of the public health service has been drawn up and the medical survey of Haiti, a stupendous task, has been begun.

## SOCIAL.

1. All Americans serving with the occupation have been impressed with the importance of carrying our mission—the development of Haiti—to a point where American supervision can be reduced to a minimum and the military forces withdrawn, to an early and successful goal. The winning of the confidence of the Haitian people and the establishment of friendly relations has progressed visibly in the last six months through this indoctrination.

2. Social relations have steadily increased and contributed measurably to this end.

3. The establishment of free dispensaries, the extension of roads and trails, the improvement of hospitals, safeguarding of health, and the raising of the day wage of labor from a gourde to a gourde and a half have strongly contributed to the progress of our mission.

4. Opening additional commissions in the gendarmerie to the best class of Haitians, replacing the old type of personal aids to the president by the aspirants for commissions, allowing them to conduct unassisted a weekly military ceremony on the Champ de Mars to which many Haitians are attracted, have also done much to win approval by the best elements.

5. The education of the gendarmes and the increase in their efficiency has had a splendid moral effect. Scattered through many cities in every district of the country, these native troops are becoming a fast-growing factor in the spreading of American educational, sanitary, and governmental methods.

6. The physicians of Port au Prince are naturally a most influential class. Plans for the reorganization of the medical department of the gendarmerie include the employment of Haitian physicians. In addition, arrangements have been concluded with the president of the National Medical School for the use of the facilities at the general hospital in the instruction of Haitian medical students. Classes will be held in every phase of surgical, medical, administrative, and laboratory work. Promising students will be appointed as internes and openings found for them in the public health service of the island. In addition to this spirit of cooperation, which has broken down a former antagonistic feeling, the central laboratory of the general hospital is prepared to undertake any research or routine work requested by the members of the Haitian medical fraternity.

Mr. ODDIE. I ask further to have printed in the Record an indoctrination report of the Marine Corps brigade commander in Santo Domingo regarding the attitude of the marines in Santo Domingo toward the Dominican people. It gives a brief outline of our occupation and of the results, as well as outlining the proper attitude of our marines to the Dominican people. From personal observations and knowledge I can state that this has been well lived up to. It is printed in very clear and simple form, and I think it will be very interesting as well as beneficial to the American people.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

## INDOCTRINATION ANENT PROPER ATTITUDE OF FORCES OF OCCUPATION TOWARD DOMINICAN GOVERNMENT AND PEOPLE.

## PART I.

The officers and men of this brigade have heard a great deal of the attitude they must bear toward the people of the Dominican Republic, and it is the desire of the commanding general that this subject be summed up and made clear to all concerned. In addition to the many steps the commanding general has already taken to make this matter clear to all of us, the President of the United States, the Secretary of the Navy, and the major general commandant have repeatedly urged upon us that the marines on duty in this Republic represent the United States in this Republic, and the conduct of the marines here constitutes those visible marks from which the Dominican people judge the United States. The commanding general in turn has done his utmost to impress this upon the officers and men of this brigade.

If all the members of this brigade will constantly bear that one point in mind, namely, that their personal conduct in this Republic becomes the conduct and acts of this country, there should never be cause for criticism. Marines have never failed to accomplish their mission when called upon to serve their country, and in order that we will execute our mission in this Republic it is necessary that all of us understand what it is, and there is no doubt as to what our mission is—it is to help this Republic and its people.

Now, to make that mission clear to you it is only necessary to point out the cause of the occupation and what the occupation has accomplished, and to show you that one thing only remains to be done, and that is the accomplishment of that last thing—the personal cooperation of every man in this brigade is a more important feature than it has ever been before. That one thing is to return to the people of this Republic their "self-government," returning it in a way that makes clear to the Dominican people that the United States has helped, and it has done so unselfishly.

To consider the cause of the occupation: The forces of the United States did not enter this Republic to make war on the Dominican people. Far from it. The United States and the Dominican Republic in 1907 entered into a convention, or treaty, which provided for the assistance of the United States in the collection and application of the customs revenues of the Dominican Republic. This agreement between the two countries provided that until the Dominican Republic had paid the whole amount of the bonds of its debt its public debt should not be

increased except by previous agreement between the Dominican Government and the United States.

Owing to the failure of the Dominican Government in complying with this provision, probably because of the revolutions occurring in the Republic which deprived the Republic of a stable government, and the expense incurred in repressing such revolution, and owing to the danger of such revolutions to the Dominican people themselves as well as citizens of other countries who might be in the Republic, the United States Government directed its naval authorities to assume charge in the Republic and restore tranquillity. Marines were landed in this country during 1916 to preserve order, and a little later—in November, 1916—a military government was set up by the United States to conduct the affairs of the Republic and maintain order. The military government was announced to the Dominican people by a proclamation, and that proclamation pointed out to the Dominican people that the object was to restore and maintain peace and order, called upon all persons to assist in this object, and stated that only those persons who opposed this objective of peace and order would become liable to military discipline.

The object of the United States as explained in the beginning has never changed. It has been throughout the occupation to this time of returning the Government to the Dominican people an unselfish object, looking only toward the betterment of the Dominican people, and at great expense to the United States. It might be pointed out that the laws of nations give to one nation which occupies another's land the right to support the occupation by taxation levied upon the country occupied. The United States has never even considered causing the Dominican people to defray the cost of the occupation in such a manner, but has itself borne the entire cost. And what are we trying to buy with the millions of dollars expended in six years of such an occupation? The answer is the betterment of the Dominican people and their peace and prosperity and their consequent good will to us.

Now ask yourself if your conduct in your attitude toward the Dominican people is as worthy as that of your country, and bear in mind that your conduct represents the United States in the eyes of the Dominican people. Can you not see that ungentlemanly acts on the part of any man in this brigade toward the Dominican people counteract upon the efforts of the United States in seeking the good will of the Dominican people? Every time a member of this brigade commits an act of abuse upon a citizen or resident of this Republic he brings forth the criticism of the Dominican people. And where does that criticism fall? Upon the man who committed the abuse? No; but upon the United States and its officials and officers. Your President receives the blame, your whole Government receives the blame, your Marine Corps and my Marine Corps receives the blame, and especially your commanding general and officers of this brigade.

This last statement may seem to you to be exaggerated, but let's consider this and see if it does not work out in just that way. Some member of the brigade assaults a Dominican citizen. That citizen tells the story, and it is retold again and again, and here, as the world over, the story grows with each telling. It is published in the Dominican press, and the Dominican people are astounded that American marines should so abuse their people. Prominent Dominicans forward the story to their friends in the United States and it is taken up by the American press, maybe in Congress, and the blame is laid upon the whole Marine Corps.

Perhaps you do not yet understand why such a small matter should get such publicity. That can be made clear also. There are several reasons, the most important of which is that there are people who are opposed to the occupation of this Republic, and that opposition includes both Dominicans and Americans.

Probably there are Dominicans who believe that the United States has some object in the occupation other than that which it has expressed, for instance, acquiring Dominican territory or taking the Dominican Republic under its protection and requiring revenue in the way of taxation and by other means from the Republic. Also the bandits who style themselves as revolutionists and prey upon the country were greatly opposed to the American occupation. I say "were opposed" because we pride ourselves that we have broken up banditry in the Dominican Republic. Also there are Dominican citizens of high standing who, although they know that the United States is their friend, feel that their independence and the sovereignty of their nation is so dear to them that they want to govern themselves, even though they can not do it as well as we can.

Also, there are people in the United States who agree with these Dominicans who feel that they should conduct their own Government, and then there are people in the United States who are opposed to this occupation for political reasons.

Now you can see why we are subject to criticism. The supporters of the occupation can not always be exploiting the good work of the occupation, while the opponents of the occupation are always ready to criticize, and therefore the Marine Corps, which is actually conducting the occupation under orders from higher authority, becomes the subject of this criticism. This is being explained to you in order that you may understand how easily we can subject ourselves to criticism in the hope that you will carefully avoid all opportunity for criticism.

#### PART II.

We have already discussed the occupation in the light of its cause and object, and now we will consider the way in which the occupation has been conducted, its accomplishments, the hopes for the future of those who have conducted it, and their pride in its accomplishments. I will point out right here what bearing this has on the individual conduct of each of us. It is up to each of us to do our part as well as those who have already conspicuously obtained success in their part in the occupation.

Our individual part is to perform the duties assigned to us, and perform them well; and in addition, as has already been pointed out, to make our attitude and conduct toward the Dominican people worthy of our country and its object in this occupation. And now I want to point out that we must take individual pride in the accomplishments of the occupation, which are our accomplishments, and that we must conduct ourselves in a way which will show that we are proud of those accomplishments and ready and anxious to live up to them.

During the occupation and up to the inauguration of the present provisional government the affairs of the Dominican Republic have been administered by a military governor, usually a rear admiral of the United States Navy, and a staff composed of naval and marine officers, which staff corresponded generally to the Cabinet of the President of the United States. The officers of this staff had charge of governmental departments, such as department of interior and police, department of public instruction, etc., and administered the affairs of those departments under the direction of the military governor.

In addition, the Republic has been garrisoned by a brigade of marine, who have maintained peace, order, and tranquillity and at the same time trained a military force composed of Dominicans, now known as the Policia Nacional Dominicana, which force is now acting as the national police force of the Republic. The brigade is still assisting in the training of this national police force at the request of the Dominican people. The brigade is remaining here until the recently elected provisional government turns over to a duly elected constitutional government for the purpose of assisting in the training of the Policia Nacional Dominicana and also to lend our moral support to the Policia Nacional Dominicana in their work of maintaining peace and order.

Remember that last statement. We are lending our moral support and that necessarily means that we set the example. If we are to set the example for the Policia Nacional Dominicana, let's set a good one and show them that we bear ourselves with dignity and courtesy.

Now let's see what we have accomplished for the Dominican Republic during the occupation.

In the development of the country first consideration has been given to the opening of the country by construction of roads. The national highway from Santo Domingo City to Monte Cristi, connecting the northern and southern coasts of the island, has been completed. The completion of that road in May, 1922, marks the beginning of a new era in the Dominican Republic. Before the construction of that road the northern and southern Provinces of the Republic had little communication with each other. Now they are connected by a first-class road, and travel from the northern coast to the southern coast is only a matter of a few hours.

Union of the Dominican people and prosperity for the country will be the result of that road. Other roads have been constructed throughout the island, making travel throughout the Republic possible. Furthermore, these roads give military control of the whole Republic to the Government and its military police force.

These roads have been accomplished only through the persevering efforts of the officers in charge of their construction, and they stand as a monument to the American occupation.

Bridges have been built in this Republic under our administration; railroads have been improved; wharves and customhouses have been built and harbors improved; radio communication has been established; telephone and post-office systems improved, and all other means of communication vastly improved. Numerous other public works have been accomplished to expedite the development of the country.

Great progress has been made by the military government in the matter of the education of Dominican people. When the military government was established the system of education was entirely inadequate, and politics were supreme in the school administration.

To-day schools have been established all over the Republic, even in the rural districts, and the children of Santo Domingo are attending. A department of education has been established and has for several years been energetically striving to completely banish illiteracy in the Dominican Republic. We have turned over to the provisional government a sound system of schools and education, which, if continued, will insure the education of the Dominican people in the years to come.

We have accomplished many other things; but, lest we be considered boastful, we will only discuss one more, namely, the military assistance given, which includes the elimination of banditry and the organization of the Policia Nacional Dominicana. The latter we have already touched upon.

From the beginning of the occupation up to a few months before the inauguration of the provisional government we have worked hard to eliminate banditry in this Republic and have met with complete success. The bandits to whom we refer were armed groups who preyed upon the Dominican people and lived upon the countryside. Some of these styled themselves as patriots or revolutionists opposed to the American occupation. Whatever their status, they were preying upon the Dominican people and were in armed resistance to the object of the United States forces. Our forces have kept them on the run and made life pretty uncomfortable for them, until finally the remaining few decided that banditry was not such a great life after all and surrendered themselves and their arms.

Now, let us all consider these accomplishments and take pride in them. Then let us conduct ourselves in a way that will show that we are proud of these accomplishments; let us continue the help that we have been giving them by treating them as the good citizens that they are. Make them feel that the United States is their friend—even more, the best friend they have ever had.

#### PART III.

We have considered the occupation in the light of its cause and object and in its accomplishments. We will now consider our remaining object and the importance of it. We have started on the last lap of the race, and in this race, as in every race, success depends on that last lap. Marines have taken part in many a race, and it has never been their habit to falter in the last lap. That is where we have always expended our every effort to win.

The last lap in this race is the turning over of the governing power to the Dominican people. The turnover has been started, but it is not a matter that can be accomplished in a day. A provisional government has been inaugurated and has commenced its work. That government is to institute certain reforms in the election law and then provide for the election of a constitutional government. Upon the inauguration of the constitutional government and the accomplishment of the necessary agreements between the United States and the Dominican Republic the United States will then completely withdraw its forces from this Republic.

This is not a matter to be accomplished in a day. It must not be done hastily. The provisional government has a great deal to do in order to establish a constitutional government which will be insured of stability and success. The provisional government is therefore more or less on trial in the eyes of the Dominican people and in the eyes of the world.

The Policia Nacional Dominicana is on trial in maintaining peace and order in the Republic. That military body is a product of our own labors, and its success will be our success. Are you going to help it or hinder it? Are you going to help the provisional government or hinder it? Are you going to help your country in attaining its object? I can answer every one of those questions for you. You are going to help in every way you can think of, but what you must guard against is thoughtlessness, and this especially in your relations with the Dominican people. We are here to give our moral support to the Policia Nacional Dominicana and the provisional government. Then let us do it. Never interfere with a member of the Policia Nacional Dominicana or the municipal police in the performance of their duty.

Never start a disturbance with Dominicans. If you want to fight, put on the gloves and start training for the next boxing meet; you can find any number of men right here in your own camp who will give you a more exciting scrap than Dominicans will, and you can win a boxing belt instead of bread and water.

Carefully avoid any kind of trouble with the Dominican people. Don't start an argument with a Dominican because you don't like the way he looked at you. Avoid trouble with them. Don't you pride yourself that your intelligence is superior to theirs? Then isn't it up to you to avoid trouble? Make your every act a friendly one; never an unfriendly one.

Remember that you are a marine, a member of a strong armed body. In the eyes of these people every unfriendly act you commit against them they regard as oppression. They consider themselves defenseless against you. It has never been the creed of marines to oppress the weak, but on the contrary we try to help them. Live up to the traditions of your corps.

Perhaps you have considered the occupation in the light that these little talks have tried to explain it. I am trying to show you the occupation in its true light and acquaint you with the entire situation. Every man here is a part of the brigade and should be interested in why we are here, what we have done, and what we are going to do. This is really an appeal to every one of you, as a good marine, to carry out our mission. The commanding general believes that it is only necessary that you understand what is wanted in order that you will give it.

We have not had a great many cases of abuse of Dominican people by marines. In this last lap of the race we don't want to have any. If such cases do arise, I unhesitatingly tell you that the offenders will be punished to the limit, for such offenders bring discredit to the entire brigade. I want to illustrate to you the extent of the discredit brought upon the brigade by offenders of this class. The commanding general is required to make a report each month to the major general commandant concerning the extent to which this brigade has become indoctrinated with the correct attitude toward the Dominican people as evidenced by the elimination of just complaints against its personnel. In that report are included any offenses committed by marines against Dominicans. If a marine assault a Dominican, the facts are included in that report, together with information as to action taken. This information is available to the Navy Department and State Department, and the officials of the United States Government have just cause to feel that a man who commits such an offense is not serving his country as he should and as marines have always done. Such offenses are a reflection upon the entire brigade and the entire Marine Corps, and we must eliminate all such offenses. The major general commandant has asked the commanding general to impress upon the members of this brigade that whether marines are guarding the mails in the United States or guaranteeing the maintenance of peace and order in a foreign country, they are equally in the public eye at home and must so conduct themselves in their relations with civilians as to make it plain to the latter that United States marines are the friends of law and order.

The commanding general further desires to impress upon you that you can not make it plain to the Dominican people that you are the friends of law and order if you cause or participate in disorders.

The United States and its representatives here, and that includes all of us, have worked hard in the Dominican Republic and we hope for its success in the future. The success of the Dominican Republic will be our success and will constitute another bright page in the history of the Marine Corps. We hope that the Dominican people will carry on the improvements we have inaugurated, carry on the construction of roads and other public works, the dissemination of education and knowledge, and even inaugurate progress of their own. We hope that the Dominican Government will do many things to obtain prosperity for its people; all of this we hope for and feel that it will be done. The sooner the Dominican people govern themselves and conduct their affairs without the active assistance of the United States the more rapid their progress will be and the greater their interest and pride in their progress will be.

Therefore we want to do everything we can to assist in the success of the present provisional government in order that it may establish the constitutional government and the Dominican ship of state start its cruise.

During this period of transition let us all be friends of law and order. Seek clean amusement instead of trying to paint the town red. Remember that we are not now conducting the affairs of the Dominican Republic, but the Dominican people are on trial in conducting their own affairs, and let us stand off and maintain the attitude of dignity and courtesy that the commanding general asks of us.

In conclusion, let us recall that one point we discussed in the beginning, that our conduct here is our country's conduct. We are writing our little page in the history of the Marine Corps, and we are at the bottom of that page; it relates to the occupation of the Dominican Republic. So far that page reads mighty well. Let us write the last paragraph in a way that in the years to follow it will stand as a page so bright that even the Marine Corps will consider it a guide and example well to be followed.

Prepared by brigade law officer to serve as basis for lectures to be delivered to personnel of brigade.

HEADQUARTERS SECOND BRIGADE, UNITED STATES MARINES,  
Santo Domingo City, D. R., October 30, 1922.

Issued this date.

HARRY LEB,  
Brigadier General, United States Marine Corps,  
Commanding Second Brigade United States Marines.

Mr. ODDIE. Mr. President, I would like to go into this matter in greater detail, because I have given it very careful study, as have the other members of our committee, but I shall not take the time to do so now. The Senator from Illinois [Mr. McCORMICK], chairman of the committee, has shown great ability in directing its investigations. I wish only to say that I hope the amendment offered by the Senator from Utah will not be agreed to, and that Senators who have received information contrary to the report of the committee and other matters I have submitted will further study the subject and get their information from the real and legitimate sources—our State Department, our Marine Corps, and our Navy.

#### APPENDIX.

[Senate Report No. 794, Sixty-seventh Congress, second session.]  
INQUIRY INTO OCCUPATION AND ADMINISTRATION OF HAITI AND THE DOMINICAN REPUBLIC.

Mr. ODDIE (for Mr. McCORMICK), from the Select Committee on Haiti and the Dominican Republic, submitted the following report, pursuant to Senate Resolution 112:

The select committee of the Senate to investigate the occupation and administration of territories of the Republic of Haiti and of the Dominican Republic by American naval forces presents herewith a report upon the occupation of Haitian territory and the relation of the United States to the Government of Haiti.

The island of Haiti, midway between Cuba and Porto Rico, supports a population as numerous as that of Cuba (about three and a quarter million souls) upon a territory about three-quarters as large as that of Cuba. It is therefore noteworthy in considering the economic and social condition of the inhabitants of the island of Haiti that during recent years the export and import trade of the island has averaged perhaps one-tenth of the volume of Cuban foreign trade. Porto Rico, with a territory equal to one-fifth of that of the island of Haiti and with a population of about a million and a quarter, has exported and imported about twice as much as has the neighboring island.

While the Cuban interior may be reached from all ports by connecting railways, and while Porto Rico is covered with a network of splendid highways, and while its ports are united by a coastwise railway system, the whole island of Haiti prior to the coming of the Americans in 1915 had absolutely no through and thorough highways and no railways other than half a dozen unremunerative, unsuccessful, and incomplete spurs of track running inland from different points of the coast. In a country without highways and without railways, and in which even the few trails were impassable during unseasonable weather, it is not surprising that agriculture, industry, and trade all languished and that the overwhelming majority of the population has been utterly poor and illiterate.

#### THE ECONOMIC ATROPHY OF HAITI.

Improved roads are an index to the industrial development of any country.

The French prior to 1800 had built about 550 miles of public roads in Haiti. Some of these were sold by French writers to equal the best highways in France leading to the Versailles. The Haitians overthrew the French in 1804. The roads fell in disuse. The torrential rains which visit the island and the tropical vegetation, which grows rapidly in the island, soon made these roads for the most part almost impassable. When the Americans took possession there were not to exceed 210 miles of these French roads which were passable by wheeled vehicles even in dry weather.

The American authorities since their intervention in 1915 have built 385 miles of new construction and repaired 200 miles of old construction. Such highways as were passable even in dry weather were for the most part along the coast line. With these exceptions, there was no way of getting to or from the coastal cities and towns to the interior except over trails through the forests no more clearly defined than were the Indian trails through the virgin forests of America before the white man had set foot therein.

Women and burros were the burden bearers of the country. All products which were brought into the market or taken into the interior from the coastal cities and towns were borne by the women carrying their burdens upon their heads or upon the backs of their burros.

The territory of the Republic of Haiti comprises one-third of the area of the island, the other two-thirds being included in the territory of the Dominican Republic. Three-quarters of the total population of the island inhabits the one-third of its area, which is subject to the sovereignty of the Haitian Republic.

There are two distinct social entities in Haiti—two Haitis, as it were—one living in the coastal cities and towns. About 2 per cent, and certainly not exceeding 5 per cent, of the total population represents the wealth and culture of the island. They embrace the governing class. They do not divide politically as our people do. The dividing line politically is between the "outs" and the "ins." A substantial army has been maintained by the Government. Without it in the past no government could have come into existence or could have maintained its existence for any length of time. The "outs" seeking to get in have never hesitated to make an alliance with the Caco or bandit chiefs and organize revolutionary forces to march against the capital at any time they thought to be propitious.

The other very distinct element embraces 95 per cent or more of the entire population. They constitute the peasant class. They can neither read nor write. They have no conception of government. They have been the pawns of the governing class. Their condition is truly pathetic. Naturally generous and kind, with proper training and education they can become prosperous cultivators, capable of guarding their own interests.

Before the American marines landed in 1915 men did not dare to leave their humble homes in the interior recesses of the island lest they should be impressed into military service by either the Government or the revolutionists. They knew not what hour of the day or the night they might be seized by military officers or Caco chiefs, taken from their homes, and forced into service.

Their animals and the products of their little gardens were continuously being confiscated without compensation, and when the women took their produce to the markets in the cities and towns they were never certain that the little money they received for it would not be taken from them.

Now conditions are changed. Naturally the peasants want Haiti for the Haitians. But at the same time, with very rare exceptions, the peasant class realize that since the American intervention for the first time in their history they are free from impressment into military service. They are no longer plundered by Cacos and bandits, and they are secure in the possession of their families and their property.

Haitian government prior to 1915 afforded neither protection nor service to the Haitian people. The Haitian peasant was burdened with heavy taxes, and for the most part no account was kept of the receipts or disbursements. No police protection was furnished the people in the interior. Hospital facilities in the cities and towns were inadequate and insanitary. No internal improvements were made for the benefit of the people.

One single disclosure made during the course of the hearings in Port au Prince will be interesting. It is typical.

Doctor Sylvain, president of the Union Patriotique, was before the committee. He was asked concerning their educational system. He testified that the Republic of Haiti had compulsory education in the island since 1864; and yet only 2 per cent of the people can read and write. What a commentary on Haitian administration!

Under Haitian government teachers of music were hired who could not tell whether a sheet of music was right side up or upside down; teachers of drawing who could not draw a picture of an ordinary bucket; and in their courts subordinate judges who could neither read nor write. And it may be said that no other branch of governmental activity was far in advance of their educational system.

One word as to the material progress of the peasant class. Before the American intervention few of the Haitians had ever seen a plow. The peasant class had never seen and did not know how to use a shovel. At first, when shovels were given to them for use, they would take them to a pile of gravel, pick the gravel up in their hands, put it in the shovel, and then carry it to the place where it was intended to be placed. When the American marines began road building in the island a schooner with road-building machinery was docked. In the hold of the vessel were 60 wheelbarrows. A captain of the marines in charge of the road building sent the foreman, a Haitian, with 60 men to bring the wheelbarrows to the place where the road building was in progress. After a time he looked for the men with the wheelbarrows. He saw them carrying the wheelbarrows on their heads instead of wheeling them.

The committee does not refer to these conditions in a critical spirit, or for the purpose of humiliating the Haitians, but because it is necessary that the American people shall know conditions as they are in order to enable them to determine what ought to be done at present and in the immediate future, and the committee says this looking solely to the benefit of the Haitian people and without any purpose, direct or indirect, looking to any material benefit to be derived by the Government of the United States from its temporary control or occupation of the island save and except such as would come to us as the benefactor of an unfortunate people.

#### HAITIAN HISTORY.

No review of the condition of Haiti can be just to its inhabitants which does not recognize existing anomalies and the antecedent historic facts which explain the economic and political backwardness of a people among whom may be found groups whose cultivation, education, and capabilities are comparable with corresponding elements of society in more advanced countries.

At the time of the overthrow of the French government and of the expulsion of their French masters by the Haitians there were among the former slaves to whom the government of the country fell few who were literate and absolutely none who were so trained in public affairs or who were so skilled in tropical agriculture as to make possible either the successful maintenance of civil order or the necessary continued development of the country's agricultural resources. Thus the Haitians labored under insuperable handicaps. There were among them for all practical purposes no trained agriculturists and administrators, no engineers and educators. Haiti had no means of educating her people or of developing men competent to govern. Misgovernment and revolution ensued, and as a consequence Haitian trade, by comparison with that of the other West Indian islands, diminished. Haiti drifted, as it were, out of the currents of commerce.

During the six-score years of Haitian independence there have been a dozen constitutions. The people have lived under self-styled monarchs as well as under military dictators and self-constituted presidents.

Since the Haitians gained control in 1804 there have been one series of revolutions after another. Part have been successful, part unsuccessful. Since 1804 there have been 29 chiefs of state. Otto Schoenrich in his work on Santo Domingo says:

"It is to be observed, however, that of the Haitian executives only one completed his term of office and voluntarily retired; of the others four remained in power until their death from natural causes, 18 were deposed by revolutions, one of them committing suicide, another being executed on the steps of his burning palace, and still another being cut to pieces by the mob; five were assassinated; and one is chief magistrate at the present time."

The disorders to which Haiti has been subject since the achievement of its independence attained such destructive frequency during the last decade before the American intervention in 1915 that in the space of 10 years no less than eight Presidents assumed office (it would be a mistake to say that they were elected) for the nominal constitutional term of seven years each. Three of the eight fled the country; one was blown up in the presidential palace; another died mysteriously, and according to popular belief by poison, while two were murdered. The last Haitian President who held office before the landing of the American forces was Sam, who had caused several scores of political prisoners to be massacred as they huddled in their cells. He himself was dragged from the French Legation by a mob, his head and limbs were torn from his body to be carried aloft on sticks and bayonets, while his bleeding trunk was dragged through the streets of the capital city.

It will not be wondered that under conditions thus indicated the irrigation works and highways built by the French disappeared, fertile sugar plantations vanished, coffee cultivation ceased, and that the country made no progress, material or social, political or economic. The mass of the people—gentle, kindly, generous—their peace and property threatened rather than secured by the so-called authorities, sought such quiet as they might find by hiding in the hills, where they have lived in a condition of primitive poverty and ignorance. Not only did the sugar and coffee plantations disappear, but almost all true agriculture, all organized cultivation of the soil, except as little patches of yams and plantains may be called such, ceased. The coffee crop, which is the principal article of Haitian export, is gathered from the wild trees—sprung from the stock planted by the French over a hundred years ago. The domestic animals include wretched swine, poor cattle, poultry of scrawny Tropic strains, and little asses which, as saddle or pack animals, served as the sole means of conveyance or transport in the country until the arrival of the American forces.

#### NO REPRESENTATIVE GOVERNMENT IN HAITI.

In brief, before American intervention there had been no popular representative or stable government in Haiti. The public finances were in disarray, public credit was exhausted, and the public revenues were wasted or stolen. Highways and agriculture had given way to the jungle. The people, most of whom lived in wretched poverty, were illiterate and spoke no other language than the native Creole. The country and its inhabitants have been a prey to chronic revolutionary

disorders, banditry, and even during periods of comparative peace to such oppressive and capricious governors that the great mass of the people, who under happier circumstances might have become prosperous peasant farmers, have had neither opportunity nor incentive to labor, to save, or to learn. They had no security for their property and little for their lives. Voodoo practices, of course, were general throughout the territory of the Republic.

This view has been contested by certain Americans who, equally ignorant of the facts and indifferent to them, have given voice to general and unsubstantiated charges which if credited would blacken the good name of the American Navy and impugn the honor of the American Government. It is, however, the view of your committee, and is supported by those informed and impartial investigators of Haitian conditions whose opinions have come to the attention of your committee.

#### HAITIAN OPINION.

Lest this summary of Haitian conditions be considered prejudiced or overdrawn, the committee quotes the following from the report of the Haitian Commission of Verification of Documents of the Floating Debt.

"But neither the Pressoit-Delbau Commission, nor the successors of Mr. Barjon in the position of paymaster of the Department of the Interior have been able to tell the Secretary of State for Finance what has become of those archives. Only one fact remains, from all the preceding, and it is to be remembered; that is, that the said archives have disappeared, and that they remain unfindable, for a cause which the commission is not in a position to verify nor to comment upon."

"This great question of the revolutionary debts—of the revolutionary debt of Davilmar Theodore above all—constitutes the most delicate and certainly the most painful of the work of the commission. Without doubt, we have not the mission, Mr. Secretary of State, to judge the motives, interested or not, which determined and guided the conduct and the acts of such a chief, of such a political group, in the course of the years forever ill omened before the month of July, 1915. In any case, this mission is not imparted to us, if at least we confine ourselves to considering strictly and narrowly our attributions of commissioners charged to investigate the arrears of the floating debt."

"This expression 'revolutionary debt' carries in itself its condemnation, by reason of the lugubrious ideas which it awakens in the mind. From the moment that our internal torments had to have as a final consequence the issuance of certificates of indebtedness of the State, to the profit of their authors of all classes, or, which means the same things, the flood of favors to the detriment of the national treasury, a premium was thus created to the profit of Haitian revolutionaryism. And it is thus that we have attended in these recent times this sad pageant marking the pages of our history; the revolution of the day being an appeal to the revolution of to-morrow; insurrection never disarmed, always erect and campaigning, perpetually assailing the supreme power, and never stopping but to divide the spoils of the hour, after the enthronement of the new idol which it was to undermine and overthrow."

"In presence of the figures at once scandalous and formidable of the debt called revolutionary and in view of the deplorable conditions in which the different original notes were issued, whether at Ouanaminthe, at Pignon, at St. Michel, at Cape Haitien, at Port au Prince, and even at Kingston (Jamaica), finally a little everywhere; some in Haitien gourdes, the others in American gold, pounds sterling, or in francs—the commission thinks it opportune to make without offense or passion the following remarks which it offers for the meditation of the country."

"There is no really productive work without the help of capital. "But when the loan is contracted for an unavowable purpose, having for motive the arming of the citizens of a country against their fellows, sustaining a disastrous and debasing war, sowing terror in all the social levels, with a view of satisfying personal ambitions—oh, then the conditions are not longer the same, and we find ourselves here in face of a hidden operation."

"Incontestably, wherever civil war has passed it has sowed destruction, disunion, and death; cities devastated, factories destroyed, families reduced to the most frightful misery, the pleasant fields of the north transformed into charnal places three or more years ago; all these horrors worthy of the times of antiquity and of savage hordes have caused and still cause the raising of cries of pain and of indignation, and retell for ages and ages the cruelty of the political leaders who conducted directly or indirectly the bands of madmen and who excited them to carnage in the sole and unique purpose of seizing the power for the purpose of better assaulting the public treasury."

"The country can not make itself the accomplice of such financial disorder having hidden behind it crime and immorality."

"The mass of notes issued, the considerable number of individuals who had or who arrogated to themselves the power of issue, and who unscrupulously, without restraint or the least reserve, thus compromised the future; the colossal figure to which these issues mounted have necessarily given birth in our mind to this question of palpitating interest, In what case can the recognizances issued be considered sincere? In what case are they not sincere? In other terms, when is it that the amounts subscribed have been really paid? When is it that we are found in the presence of fictitious values represented by notes of complaisance?"

"Revolutions are possible only on the condition that their authors find interested persons to finance these criminal enterprises. Unhappily with us the hard and honest work was always the exception, the revolutionary politics the rule, the great industry which attracted to it and monopolized all—energy, intelligence, and capacity. Therefore, there came a moment when the sole preoccupation for each energy unemployed, each intelligence searching its way, each capacity desirous of exerting itself; it was to clothe himself in revolutionary livery in which a campaign was instituted to gain access to the public treasury."

Testimony taken by the committee shows how the chronic anarchy into which Haiti had fallen, the exhaustion of its credit, the threatened intervention of the German Government, and the actual landing of the French naval forces all imperiled the Monroe doctrine and lead the Government of the United States to take the necessary steps set forth in the testimony, to establish order in Haiti, to help to institute a government as nearly representative as might be, and to assure the collaboration of the Governments of the United States and Haiti for the future maintenance of peace and the development of the Haitian people.

Your committee believes that doubtless the American representatives might have done better, and that they have made mistakes which, in the light of experience, they would not make again; that, as will presently be indicated in more detail, not only did the treaty fail to

take cognizance of certain reforms essential to Haitian progress but that in the choice of its agents and the determination of their responsibilities the Government of the United States was not always happy.

#### THE OCCUPATION AND THE TREATY.

The history of the landing of American naval forces in Haiti and of the intervention of the United States to establish a government as representative, stable, and effective as possible is set forth at length in the public hearings of the committee. The naval forces of the United States landed in July, 1915, when the country, and more particularly the capital, after the murder of President Sam, had fallen into a condition of anarchy. The diplomatic representatives and naval forces of the United States made it possible for the Haitian Assembly to sit in security. The American representatives, in the opinion of your committee, influenced the majority of the assembly in the choice of a President. Later they exercised pressure to induce the ratification by Haiti of the convention in September, 1915, precisely as the United States had exercised pressure to induce the incorporation of the Platt amendment in the Cuban constitution, thus to assure the tranquillity and prosperity of Cuba. At about the same time representatives of the United States Navy took over temporarily the administration of the Haitian customhouses, which were then answerable to no central control, of which the revenues were disposed of at the discretion of the various local customs officers.

The convention of 1915 provides that a receiver general of customs, a financial adviser, and directors of public works and sanitation shall be nominated by the President of the United States and appointed by the President of the Republic of Haiti. It provides, furthermore, for the organization and discipline of an adequate force of constabulary or gendarmerie under the direction of officers nominated by the President of the United States but commissioned in the service of the Haitian Government by the President of the Republic of Haiti.

Your committee has sought carefully to measure the benefits accruing to the Haitian people as the result of the convention and to determine wherein the American Government or its representatives had failed in their duty and to advise as to the correction of mistakes or abuses in order that the maintenance of American forces in Haiti may be terminated as soon as possible.

Peace, sure and undisturbed peace, has been established throughout Haiti for the first time in generations. In former years men who were peasants—countrymen—were never seen upon the trails or in the market towns. They feared to appear lest they be pressed into the wretched and underpaid forces of the Republic or of revolutionary pretenders. Women only were found, driving pack animals or carrying burdens on the trails and chaffering in the market places. The men were hidden in the hills. To-day, as old travelers will bear witness, for the first time in generations the men have come down freely from their hidden huts to the trails and to the towns.

Conformably with the terms of the treaty, the Haitian customs have been administered by the American receiver efficiently and honestly, whereas in the past, by common confession, the administration of them was characterized by waste, discrimination, if not by peculation. The minister of finance has acceded to the disbursement of revenues under American supervision. Finally, although the Haitian Government has declined to employ American experts in the administration of internal revenues, nevertheless, under the insistence of the financial adviser and despite general business depression, the sum of internal revenue collected has increased threefold, although the internal revenue laws are unchanged.

There has been very little criticism of the collection of customs under American supervision or of the American receiver general. The financial adviser has been the object of bitter attack, partly because of his personal relations with Haitian officials, partly because under instruction of the Secretary of State he withheld salaries of the principal Haitian officials as a measure of coercion, and partly because he has been more than once and for long periods in Washington, absent from his post of duty in Port au Prince. In justice to the financial adviser it must be said that he was ordered to Washington by the State Department and has remained in Washington by order of the State Department to further the negotiation of the loan for the refunding of the Haitian debt.

#### THE HAITIAN DEBT.

It has been stated that the Haitian Government had never defaulted on the service of its foreign debts prior to the American occupation. This statement is not exactly correct, but it is undoubtedly true that it had exerted itself to an extraordinary degree to maintain the service of its foreign debts. Your committee is informed that to do this the Haitian Government had during the three years immediately preceding the occupation floated internal loans, at the rates of 59, 56, and 47, to a gold value of \$2,868,131; had defaulted on salaries, pensions, etc., to the extent of \$1,111,280; had borrowed from the Bank of Haiti \$1,733,000; had issued fiat paper money, and had borrowed to a very large amount from private individuals at enormous discounts on treasury notes.

The Haitian Government had, at the time of the American intervention, totally exhausted its credit both at home and abroad. The amortization of the loan of 1875 was in arrears. A great deal has been made of the fact that after the naval forces took over the administration of the customhouses and after the outbreak of the Great War, there was a time when, despite careful administration, both interest and amortization due on the Haitian debt were unpaid. This is true, but the inability of the Haitian Government and its American advisers to pay was due to the state of anarchy into which the country had fallen and to the inestimable injury to Haitian trade with Europe consequent upon the outbreak of the Great War. During the last three years \$5,000,000 of interest and principal have been paid. To-day there is no interest or capital overdue. The foreign debt has been reduced by one-third. On the contrary, there is a surplus in the treasury and it is proposed to refund the outstanding debt to the great benefit of the Haitian taxpayer.

The Republic of Haiti owes, largely in France, some \$14,000,000, part of which could have been paid when the franc was at a discount of 17 to the dollar, and which can now be paid while exchange stands at about 10 francs to the dollar. The Haitian Government has lost something over a million dollars by delaying the refunding of the debt. It is still to the patent advantage of the Haitian Government to refund the debt by borrowing in dollars and paying in francs, when the francs are worth not 5 for a dollar, as formerly, but 10 for a dollar. Apart from this, in the opinion of your committee, it is of primary importance that the proposed loan should be made without delay, partly because it will afford a sum of money necessary to finish certain public works including the highway to Jacmel and that from Las Cahobas to

Hinche, but also because under the proposed terms of the loan the debt will be a general charge upon the revenues of the country, and those revenues which are now specifically and irrevocably hypothecated to the service of certain loans will be freed from such rigid hypothecation and the onerous and inequitable revenue system of the country can be revised. There is appended to this report a table showing the contractual charges upon revenues in Haiti. A student of the Haitian financial system will be struck first by the charges upon exports (indirect and direct) and especially by the fact that they bear very heavily upon the poorest element of the population. If the debt be refunded as proposed, the revenue system can be revised and at one and the same time the burden upon the poor can be lightened and the export trade can be freed of uneconomic taxes.

It may be added that the new refunding loan, if consummated, will be made upon better terms than those recently made in the American market by European and South American governments.

As the negotiations for the revision of the charter of the national bank are all but consummated the committee thinks it unnecessary to dwell upon the matter further than to say that due to the insistence of the American State Department and of the vigilant financial adviser the terms of the new charter are more advantageous to Haiti than those of the old, and that already an end has been put to the fluctuation of the currency, in which foreign merchants and exporters speculated to their own advantage and to the injury of the Haitian peasant. It is because of this last that certain foreign financial interests—that is, interests neither American nor Haitian—have covertly, persistently, and perhaps corruptly, opposed the determination of the new bank charter and the stabilization of the currency.

As was indicated earlier in the report, when the American naval forces were landed in Haiti in 1915 the fine highway system left by the French had disappeared. In 1917 the commander of the occupation, in collaboration with the Haitian Government, invoked the Haitian law requiring the inhabitants to work upon the highways. This was the forced labor or corvée upon the roads. The law requiring the inhabitants to maintain roads was in principle not unlike some of the highway statutes of our own States. It had not been enforced for decades when, at the instance of the American naval command in Haiti, the Haitian Government invoked it in July, 1916. At first this step appears to have met with no opposition from the natives. On the contrary, under the tactful management of the gendarmerie command at that time, encouraged and stimulated by the enthusiasm of the American officers, they were eager to open a highway from the north to the south of the country. It is the almost unbelievable truth that with the decay of the French roads it was impossible for a vehicle to traverse any section of the roadless Republic. People worked with great good will upon those sections of the highway near which they dwelt. It was only after a year or more, when the gendarmerie command unwisely compelled natives to leave the neighborhoods in which they lived in order to complete the roads through the mountains, that discontent and dissatisfaction were first manifest. It is impossible to say in what measure the corvée contributed to the armed outbreak in the north. Almost all Haitian revolutions have had their beginning in the broken country lying between Cape Haitien and the Dominican border. Here the Cacos had lived for generations, and hence they marched to make their periodical attacks upon the capital as followers of one or another revolutionary chieftain. At all events, when the road law had been invoked for nearly two years, and when its enforcement had given rise to discontent, for the reasons indicated, Charlemagne Peralte, an escaped prisoner, raised a band of Cacos in the north, which for some 15 or 18 months carried on a formidable guerilla war against the native gendarmerie and the American Marine Corps.

#### CHARGES OF MILITARY ABUSES.

The accusations of cruelty which have been made against members of the Marine Corps have deeply concerned your committee and required its full consideration. If cruelty toward the inhabitants has been countenanced or has escaped the punishment which vigilance could impose, or on the other hand, if false or groundless accusations have been made, if facts have been distorted, the true conditions should be revealed. Your committee has realized the gravity of the charges and the importance of impartial investigation and it has allotted a full portion of its time to the investigation of these complaints made by or on behalf of the Haitians. Examination has been made of the records and methods of investigations conducted by the Navy Department. Many witnesses have been heard in this country and in Haiti, and some scores of affidavits read and considered. So far as time permitted no one was refused a hearing and no limit has so far been placed on the number of written complaints in affidavit form.

Much evidence does not appear in the record. This consists of oral statements made to the committee or to one or more members in the course of confidential conversations which took place during the committee's visit to Haiti. If those individuals who made the statements had not received and relied on the assurance that their names would not be published, nothing could have been learned from these valuable sources. Among those thus speaking in confidence were Haitians of education and influence, Haitians in positions of great importance, as well as others in subordinate positions and Haitian peasants, Americans engaged in business enterprise and other foreigners engaged in business or in philanthropic or educational work. If it had become known that any of these individuals expressed to the committee views contrary to the then organized opposition to the American occupation and its continuance, that individual would at once be marked for punishment. The consequences to the individual during the continuance of the occupation might have been financially and socially hurtful; and if the occupation were to be withdrawn, that person who had said anything in its favor would be in danger of persecution or loss of his life. These people who talked to the committee or its members did not know for how long they would receive the protection of the occupation. Those whose views they opposed included an influential group who would, temporarily at least, dominate the country if the occupation were to be withdrawn in the near future.

The committee has weighed this undisclosed evidence and has tried to give it its correct weight, but the committee can not in justice to the individuals disclose their names. One of those who spoke most impressively and whose opinion was entitled to great weight on account of long residence and close sympathy with the Haitians said:

"If the Government of the United States was to order the marines to quit the island, the last of them would scarcely be out of sight of land until a shot would be fired and then a revolution."

This opinion differently expressed is widely shared by responsible people in Haiti. Such can not express their opinions publicly at the present time, but no correct estimate of the situation can be reached without their opinions. The report of Professor Kelsey to the American Academy of Political Science, published in the committee's record, shows that he had an experience similar to that of the committee. We commend Professor Kelsey's report to the close study of those who are interested in the Haitian problem.

During the five and one-half years of the occupation 8,000 individuals have served in an average force of 2,000 marines stationed in Haiti since the occupation. It is true that some few of these individuals have committed crimes affecting the Haitians, the offenses depending in no way on the military character of the guilty parties. The very small number of such individual crimes reflects credit on the discipline of the Marine Corps. Proper diligence has been exercised by our military authorities in prosecuting and punishing the criminals. There has, however, been a different class of accusations—charges of violence committed by American marines or by the gendarmerie (the Haitian police force organized under the direction of the Marine Corps) and these charges contain elements of military oppression or unnecessary severity and reckless cruelty. These have formed one of the principal fields for investigation by your committee.

With few exceptions there are no complaints of such military abuses in the years 1915, 1916, 1917, and the earlier part of 1918. Nor are there many such complaints for the latter part of 1919 or the early part of 1920. All the charges concern times and places coincident with the phase of organized banditry or "Caco" outbreak which became serious in 1918 and was practically suppressed by the end of 1919. The charges of military abuses are generally limited to a somewhat restricted region in the interior of Haiti, namely, the central plain of St. Michel, in which are the communes of Maïssade and Hinche, the mountains surrounding this plain, and the mountainous region surrounding the town of Mirabalais. This country is broken and wooded, thinly settled, and very difficult of access. Both areas are cut up by tangled ravines and barricaded by a confusion of small mountain ranges. Torrential streams add to the difficulties of travel. For years this has been habitually a revolutionary area and has been subjected for a generation to frequent destructive operations of irregular revolutionary forces or bandits. The male inhabitants of the region, if not in active sympathy with any of these revolutionary forces, were frequently forced to join them through fear. Peaceful agriculture was next to impossible, and the result was that a great majority of the inhabitants were lawless and in sympathy with the "Cacos," as the revolutionary bandits were called. The recruiting ground for revolutionary expeditions had always been the central plain and the mountains to the north, along the Dominican border.

#### THE "CACO" OUTBREAK.

The causes of the outbreak of lawlessness above referred to are not altogether clear. The principal instigator was one Charlemagne Peralte. He had been a leader or chief of the Cacos in the mountains of the north. He was a man of local prominence and had held absolute sway over his followers. His career had been "revolutionary," but he caused no trouble during the quiet years after the occupation until in the autumn of 1917, when he and some of his followers took part in an armed attempt at Hinche to rob the house of Captain Doxey of some public funds which had been received for disbursement. Charlemagne was arrested and convicted by a provost court and sentenced to a term of imprisonment. He was made to labor in the streets of Cape Haitien under guard like any other convict, and this aroused his intense bitterness against the Americans. He escaped in 1918 and began the outbreak in July, 1918, with a few of his old followers. His resentment was demonstrated by acts of violence alike against natives and Americans. He rapidly recruited followers from the former professional and habitual revolutionists, and other chiefs, following his example, came from retirement and recruited bands of their own. The outbreak was as much one of organized banditry as it was revolutionary, although there remained much resentment against the Americans among the former revolutionaries. There was resentment also against the continuance of the corvée, and this resentment undoubtedly made recruitment more easy for the bandit leaders. As in former days, also, the leaders pressed other inhabitants into their service.

The guerrilla outbreak was opposed, first of all, by the gendarmerie, which was recruited principally from the same class of population as the bandits and officered by the United States marines holding commissions in the gendarmerie, but by March, 1919, it became clear that the gendarmerie could not suppress the outlawry without assistance, and thereupon the Marine Corps took over the greater part of the burden, although the gendarmerie remained in active service. The enemy knew their country perfectly. When arms were not in their hands they could not be distinguished at sight from other inhabitants. The transformation from peasant to bandit and vice versa could be made at an instant's warning. There was reason to suspect almost any male adult of being from time to time engaged in active lawlessness and habituated to guerrilla warfare.

The problem was to restore peace and order in this central and northern mountainous region. The situation did not admit of effective operations carried on by larger bodies than a platoon or two. The only practicable method was the one adopted—that of constant patrolling by parties ranging in number from 4 or 5 men to 30 or 40 men. These small patrols were almost always vastly outnumbered. They endured tremendous physical hardships. They were frequently beyond the reach of help and were even out of all communication with other friendly forces for two or three weeks at a time. They ran risks and faced dangers such as are endured by beleaguered garrisons. It is impossible to judge of the accusations which have been made or of the conduct of the marines or gendarmerie as if they had been engaged on police patrols in a settled country intersected by highways.

Each patrol was necessarily commanded by an American. At that time if a patrol of gendarmerie were entrusted to a Haitian sergeant it was not effective against the bandits, and in default of disciplined command it might constitute a menace to the inhabitants. There were not enough commissioned officers of the Marine Corps available to supply commanders of all these patrols. Many of them were commanded by sergeants, corporals, or even privates of the Marine Corps who were commissioned as captains or lieutenants in the gendarmerie. To the credit of our country nearly all of these men performed their duties admirably. Their courage sustained them in the face of danger and hardship, and their common sense and justice slowly won the confidence of the inhabitants. There were, however, some few exceptions who failed in their duty. Among these few were commissioned as

well as noncommissioned officers of the Marine Corps. It is against these patrol commanders that the charges of military abuses are made.

The uprising was subdued by these patrols. With greater endurance and determination than the bandits, they kept constantly on the move. For months there were skirmishes and marches, and the bandits were kept constantly on the run. Many of the bandits took advantage of invitations to surrender. Those who did so were disarmed and were given a safe-conduct card; but some persisted. As long as a single hostile band was in the field the work remained unfinished. The leaders of the bandits knew and sometimes even were on friendly terms with the "notables" or leading men of these remote sections. As the campaign progressed the marines won the approval of the humble inhabitants, but they increased the dislike and resentment of those notables who were cacos or were allied with them. The committee has found that most of the accusations are made against a small handful of marines. Some of these were most active and effective against the bandits. Some of the accusations first brought against them have been entirely disproved, and yet other accusations spring up against them. In such cases it is at least possible that they are the victims of slander inspired by the intelligent hatred of the small native leaders whose dominance they destroyed.

The campaign continued through the year 1919. The enemy bands frequently numbered as many as three or four hundred, although their personnel undoubtedly was constantly changing. By constant pursuit and by attacking on sight regardless of the disparity of numbers, the Americans or the gendarmerie, under the American command, gradually wore these bands down until they disappeared. The pursuit and the fighting occurred in the wilderness, and it is hard to imagine and impossible to describe the hardships constantly endured by our men. The pursuit under the conditions we have described must have seemed endless, although surrenders and casualties and fatigue were constantly reducing the numbers of the Cacos. It is impossible to give the exact number of engagements, but it is accurate to say that in one place or another armed encounters occurred daily. Late in 1919 Charlemagne was killed in the field. This broke the back of the uprising, but another principal leader, Benoit, remained in bush for several months until he also was killed, in May, 1920. After his death the last of the disorder was quickly put down.

During all these times at least three-fourths of the territory of Haiti and four-fifths of the inhabitants were not directly affected. The remaining one-fourth of the territory to which this discussion refers, containing the lawless population, was the theater of practically all military operations, and was the only source of complaints of military abuses.

#### PEACE ESTABLISHED.

These regions are now peaceful. There are no bandits in Haiti. The inhabitants are leaving the mountain forests to cultivate the central plain—less disturbed than they have been within the memory of living man. It is impossible to determine in exact figures the number of Haitians killed in this 18 months' guerrilla campaign. A fair estimate is about 1,500. The figure includes many reports based on guesses made during combat and not on actual count. The casualties, whatever they were, undoubtedly included some noncombatants. The bandits were found resting in settlements, where they camped and were tolerated by the inhabitants through fear or friendship. When encountered they had to be instantly attacked. These conditions largely account for the deaths of the bystanders.

Such casualties are to be deplored. They were unhappy consequences of the irregular operations. Your committee is convinced that the suppression of the bandits by patrols was the only method which would have been effective. It is fair to speculate that if the bandits had been permitted to continue their depredations there would have been a greater number of innocent people killed and a far greater sum total of misery. During this outbreak the bandits preyed on the other inhabitants, robbed them, maltreated them, and burned their houses and crops, as they had been wont to do in the many revolutions before the occupation. The peasants who were the victims do not now wish for the withdrawal of the marines. To-day they may work and travel without fear of robbery. Of this the committee has been convinced by opinions expressed at first hand by intelligent peasants. These are jealous of their sovereignty, but have every reason to be and are aware of the benefits of peace and order, and their first wish is that peace and order by some means may be assured.

The committee is convinced that cruelty has never been countenanced by the Navy Department or by the brigade commanders of our marines in Haiti or the commandants of the gendarmerie of Haiti, nor has this been alleged to the committee.

It is evident to anyone who reads the testimony of a number of witnesses that some false and groundless charges have been made and that in many cases facts have been distorted and exaggerated. Fairness compels the further explanation that few, if any, of the illiterate and ignorant peasants making such charges knew the difference between what they had seen and what they heard said at second or third hand or on sheer rumor. Utterly untaught in justice or evidence, they have probably been induced in some cases to bear false witness. Whether these charges be described as false or mistaken, it would be wrong to judge those who made them by American standards. Nevertheless, the testimony of such witnesses is dangerous unless it is carefully sifted. An illustration will show this:

In September, 1920, five Haitian gendarmes stated under oath that Lieut. Freeman Lang, of the gendarmerie, had in the early part of November, 1918, at Hinche shot a prisoner. One other said he saw Lang shoot two prisoners. One other said he had seen Lang shoot five prisoners at different times in October and November, 1918. All, however, told of the death of one particular prisoner. They all said the single prisoner had been led from jail and that he had talked with Lang and had then been killed by Lang at a distance of 10 to 20 paces with a machine gun or automatic rifle. Two added that Lang told the man he was released and could go home. Some said the man refused to give information and was therefore shot. According to the testimony of each of these witnesses, it was a cold-blooded and treacherous killing. All said they had seen it done.

In November, 1920, five of these same witnesses also testified before the Mayo court of inquiry. On the latter occasion the witness who had said that Lang killed two prisoners testified that only one man was killed and that he was walking away. Another witness at the later hearing said that the prisoner was walking, then that he was running and trying to escape. His first version had been that Lang had told the prisoner he could go home. Another of these witnesses, the one who said he had seen Lang take five from prison and

shoot them because they would not talk could not at the second hearing say whether the prisoners were running or not when they were shot and that in two of the cases he did not see the shot fired. He also gave a different place for one of the shootings in his later testimony. There were no prisoners missing from the prison at Hinche at those times. In their later testimony two witnesses made the date precise, November 4, but one could not tell the year. One who first testified he saw Lang shoot the prisoner later said he did not see Lang shoot the prisoner, only saw the prisoner dead after hearing the shots. Another first testified that Lang told the prisoner he could go home, and said two months later he was a long way off and could hear nothing that was said. Lang's version, fully substantiated by Dagette, another marine eyewitness, was that the prisoner, a Caco leader just captured, was taken under guard from prison to Lang's house to be questioned. He refused to talk and was led back under guard toward the jail. Lang at the same time had walked a considerable way toward his office in another building when he heard the guard fire two or three shots and saw the prisoner running toward some woods across the square. The guard was missing his shots and it was dusk.

Lang ran back 30 or 40 yards to his house, where there was an automatic rifle kept set up on the veranda, loaded and cocked. He fired in order to prevent his escape; one shot burst and brought the running man down dead at a distance of 150 yards. He at once reported the incident to his superior officer. A circumstance which discredits the Haitian witnesses is that an automatic rifle is too heavy a weapon to hold comfortably while standing up to cross-question a witness or to have overlooked while assuring a prisoner he could walk away with safety. At any rate the Mayo court exonerated Lang completely of this charge and likewise exonerated him on other charges brought against him by the same kind of witnesses, charges that circumstances and positive testimony proved impossible. These charges were probably inspired.

A reading of the testimony referred to in the Mayo court record will certainly raise that suspicion. (See Exhibit 5 attached to record of Mayo court and testimony before that court of Toussaint, Monfiston, Brave, Jean, Rouchon, Lang, and Dagette.)

The committee itself has heard Haitian witnesses declare they had seen certain acts and describe them in detail, and then after some questioning—entirely kindly—say they had been one-half mile or more away or in another part of the country and had only heard about it soon afterwards or much later.

A witness named Polidor St. Pierre testified before the committee at Port au Prince that he had been tortured in the prison St. Marc in January, 1919, and that the American marine captain whom he named had been personally present and directed the tortures. The witness said that the captain had caused him to be put in irons and hung up by a rope attached to his handcuffs and passed over a rafter in a prison cell. He said he thus passed five days without eating or drinking. The witness next testified that the next morning after the witness entered the prison the captain caused water to be boiled and poured down the witness's throat. The actual operation was performed by four gendarmes, the captain being present.

The witness said that two days afterwards the captain himself applied a hot iron to various parts of the witness's body, and that later he received medical treatment from the captain and a surgeon. The witness said that another Haitian prisoner named Medelus Valet was present and saw these occurrences, and that this same Valet was at the time of the committee's hearing imprisoned at Port au Prince. The committee caused Medelus Valet to be brought before it and sworn. Before this time neither the committee nor its counsel had opportunity to communicate in any way with Valet, and had no intimation as to what his testimony would be. Valet said that St. Pierre was tortured; that he had been hung up on three different occasions about one-half hour each by a rope attached to his handcuff; that he had not had water poured down his throat but that he had been branded. Valet said that this was all done by Haitian detectives and gendarmes in the absence of the captain, and that the captain became very angry when he learned of the mistreatment. He took St. Pierre out of the cell, put him in the prison sergeant's room, and had a surgeon treat him three times a day. (Reference: Testimony of St. Pierre, record, pp. 857-865; testimony of Valet, record, pp. 883-885.) These illustrations are not exceptional but usual, both in untruthfulness of testimony and in the suspicion of subornation.

#### ILLEGAL EXECUTIONS.

On the other hand, certain instances of unauthorized executions of captives at the hands of marines or at their command are beyond much doubt established. The number is small. In fact, after full inquiry and earnest invitation to complainants to come forward as witnesses or with affidavits, the committee is to this day reasonably satisfied of the fact of 10 such cases, of which 2 have been established in the course of judicial inquiries. Those who were killed had been caught bearing arms and had been imprisoned. These illegal killings all took place within the period of six months from December, 1918, to May, 1919, and all happened in one of the two areas in the remote interior. Of the three Americans who, as officers, would be directly responsible if the facts were judicially established, one (1) was insane, one (2) dead, and the other (3), commissioned in the gendarmerie from the enlisted personnel of the marines, has been discharged from the service. These three cases call for special mention:

(1) The evidence as to this case is found in the court-martial records of Privates Johnson and McQuilkin and on pages 737 to 741 of the committee's record. The American gendarme lieutenant in question was a private in the Marine Corps, commissioned as lieutenant in the gendarmerie. The two privates, Johnson and McQuilkin, were court-martialed because they were members of a firing squad which illegally executed two Caco prisoners in May, 1919, at Croix des Bouquets, in the region of Mirebelais. The evidence is clear that these executions were ordered and superintended by the American lieutenant of gendarmerie. In the testimony it also appeared as undisputed that these same men had been present at the execution of still one more Haitian prisoner five days earlier, also under the orders of the same lieutenant. There is no doubt but that those who were executed had already been taken prisoners and were shot without trial. The lieutenant who directed the executions was not court-martialed because he was found to be insane. His mental condition was observed at Port au Prince in July, 1919, at the naval hospital, Charleston, S. C., in September, 1919, and the naval hospital, Washington, D. C., in October, 1919, and in all cases the diagnosis was dementia precox.

The court-martial of the two privates was upon charges preferred June 22, 1919, one month after the executions of the Haitian prisoners. It was these two court-martial cases which upon being reviewed by

General Barnett, as commandant of the Marine Corps, caused him to write a letter to Colonel Russell, then brigade commander, in which the general uses the expression "practically indiscriminate killings" by marines of natives. General Barnett testified before the committee (record, p. 439) that these two court-martial cases formed the only basis for his allegation. While there can be no excuse for the killing of these three Haitians, there could have been no legal conviction of the lieutenant of gendarmerie, who was insane.

(2) Reference in this instance is made to the testimony of Mr. Spear, formerly a lieutenant in the United States Marine Corps, which appears in the committee's record, pages 583 to 592, and also to the record, pages 648 to 647. Mr. Spear, now an attorney practicing in Nebraska, had enlisted in the Marine Corps and had been promoted to a lieutenancy. While holding this rank he saw service in Haiti. In May, 1919, he was second in command of a detachment of marines near Mirebelais. This detachment was relieved by another, the commander of which turned over two Haitian prisoners to the commander of Spear's detachment. The commander of Spear's detachment understood that these prisoners were turned over to him with orders to kill one of them.

One of them was shot by the orders of the commander of Spear's detachment. There were no Haitian prisoners at that time under sentence of death, and this alleged execution would therefore necessarily be illegal. The detachment commander who directed this execution was killed in an airplane accident in August, 1920. The committee finds no reason to doubt the truth of Mr. Spear's testimony; and although the death of this unknown Haitian can not be regarded as legally established the occurrence can not here go unmentioned. It apparently did not become known to officers in higher command. There is nothing to show that Lieutenant Spear was in any way responsible for the death of this Haitian. There can be no justification for the execution of the prisoner if, in fact, it took place.

(3) In this case the American in question was, as captain in the gendarmerie, in direct military control of a relatively small territorial subdivision. The locality was, however, one of importance, because it was a trouble center for bandits. From time to time prisoners were taken in armed encounters or arrested as bandits. This man admitted to the brigade commander, Brigadier General Catlin, and to the commandant of the gendarmerie that he had caused the execution without trial of six prisoners led from jail.

The question of a court-martial on a charge of murder was resolved in favor of the offender by the brigade commander, because the proof of guilt consisted of the confession, and the confession required corroboration. Such was the quality of the other evidence available that the brigade commander doubted whether it would be sufficient in law. He testified before the committee that an acquittal would have had a bad effect on the natives, who would have called the trial a whitewash, while a conviction in a place far away could never have any effect one way or the other with the inhabitants. He decided not to risk an acquittal, and without court-martial removed the man from command and service in the gendarmerie. The man, soon afterwards discharged from the Marine Corps, has disappeared. If apprehended he might be surrendered to Haiti at the request of that Government, but the legality of such surrender would be at least doubtful. Whether at this late date a conviction for murder on the testimony of the ignorant and irresponsible native witness from the locality would be possible or just the committee as a nonjudicial body can not decide. It feels, however, that there might be a reasonable doubt. In the judgment of the committee, there must have been some tangible ground for trial and punishment, if not for murder, at least for a lesser offense against discipline. The committee is astonished that a man without sufficient experience or established character should have been placed in authority in a troubled district. (See General Catlin's testimony, record, pp. 660-662. General Catlin's statement, Exhibit 5, Mayo court record, Lieut. Col. A. S. Williams's testimony, record, pp. 549-550.)

The committee has heard a number of complaints of the burning of houses of innocent inhabitants by the marines. The witnesses or affidavits do not allege nor do they deny that there were Cacos or bandits actually there at the time of the burning. The times and places alleged in all cases seem, however, to indicate that the houses burned were palm or wattle huts in settlements infested by bandits. The bandits were either there or near by in camps or were resting in the guise of innocent inhabitants, and the huts were burned by patrols. In some cases this was undoubtedly a necessary military measure. It is also quite possible that some habitations were burned without substantial justification on this ground, but the committee has not learned of any that were burned at places and times where and when there were not grounds to suspect that they were used as shelter for the enemy.

#### CHARGES OF TORTURE.

Accusations have been made of tortures and cruel beatings. Many of these accusations have been completely refuted; others bear a resemblance to types of cruelty well known in Haiti for many years but foreign to anything known in America. Americans are not given to mutilating their dead enemies. A charge of mutilation against an American at once suggests a very close scrutiny of everything the witness says. Mutilations probably did occur. They may have been inflicted by the bandits or by the gendarmerie in the absence of white officers or conceivably by white officers, but the character of the testimony leaves a grave doubt as to the identity of the criminals. The committee is convinced that these cruel or inhuman acts were probably never committed by Americans.

Maj. Clarke H. Wells, of the United States Marine Corps, was a colonel in the gendarmerie and in command of the Northern Department of Haiti in the last months of 1918 and until March, 1919, when he was relieved by the then brigade commander, Brigadier General Catlin. The manner in which he performed his duty and the subsequent investigations of his conduct call for special comment by the committee. Conditions had gotten out of hand in his department, which embraced the trouble centers of Hinche and Maissade, and General Catlin, reaching that conclusion, relieved him. There had been a mutiny in a gendarmerie station. Specific accusations were made against Major Wells, and these accusations were examined in four later investigations. Court-martial charges of a serious nature were preferred against this officer and withdrawn without trial on account of insufficiency of evidence to substantiate the charges. He was in a position of high responsibility, and the consequences of any failure in duty or misconduct on his part would therefore have been great. The committee finds every evidence of sincere and energetic investigation of the charges against Major Wells, but it regrets that investigation was not instituted more promptly or rather at the time

when he was relieved from command of the Northern Department. A board of investigation took up his case about six months after he was relieved from command. It is apparent that even then too much time had elapsed to arrive at the facts. The character of the testimony adverse to Major Wells does, in the opinion of the committee, raise such a doubt as to fault on his part as would make unjust any findings against him.

At the same time the present situation is unjust to the officer in question if he is blameless. Therefore the failure to go thoroughly into his conduct in March, 1919, is greatly to be regretted. The truth arrived at then would undoubtedly have cleared up incidentally many of the other accusations with which the committee has had to deal, because the greater part of the accusations arose in Major Wells's department during the time of his incumbency.

The specific accusations were:

(1) That he permitted a continuance of a modified form of corvée after all corvée had been prohibited. Actual knowledge of this on the part of Major Wells could not be proved, but at Hinche and Maisserie there continued some work on the road which while not technically forced labor was being done at low wages by unwilling workmen. This caused serious trouble.

(2) That Major Wells directed the suppression of mention of trouble in reports to gendarmerie headquarters. Major Wells has denied this, but has stated that he did make an effort to suppress sensationalism in reports. The testimony is conflicting.

(3) That he gave directions to treat the Cacos with severity and that he discouraged the taking of prisoners. Some forms of this accusations are to the effect that he directed that prisoners be killed, and that this was understood to authorize the execution of prisoners already captured rather than the shooting at sight of armed bandits.

The testimony subsequently taken on all these points is contradictory and confusing, especially on the last point. Three gendarmerie officers were examined at least twice and the statements of each were very dissimilar on the different occasions. A number of officers with equal opportunities for observation were examined and their testimony was entirely negative. The testimony which was most damaging, if competent, was purely hearsay, and on being followed up was not substantiated. There are indications that the testimony of some of the officers examined after they had left the service was biased by prejudice. Other officers examined spoke very highly of Major Wells's administration.

The record as a whole discloses an earnest effort in September, 1919, by Major Turner, and in January, 1920, by Colonel Hooker and Major Turner, by the direction of the brigade commander, Colonel Russell, and in September, 1920, by Generals Lejeune and Butler, by the direction of the Secretary of the Navy, and in October and thereafter in 1920 by the Mayo court of inquiry, to arrive at the facts. This committee wishes to express its regret that doubt still remains and its belief that more prompt investigations should have been made.

The committee is not a judicial body. It feels that it should make no report definitely accusing any individual of crime unless that individual has had a trial. The committee can not try individuals, nor can the committee continue indefinitely in existence. Since its visit to Haiti the committee has received a number of affidavits definitely accusing American officers of murder and extreme cruelty, mostly during the year 1919. The number of officers named is not large. During its visit to Haiti it heard testimony in which officers were accused and in which military abuses were attributed to unnamed American marines. Investigation of some of these cases has already been made and the committee has the reports. The committee has referred all other accusations for investigation by the Navy Department, requesting a report as to facts developed. It has admitted in evidence all the accusations. Time has not permitted due investigation of and report on the more recently received accusations. The committee proposes to print all accusations of a serious nature, but it proposes to reserve such publication until the results of investigation can be printed at the same time. In this way it feels it may demonstrate to the Haitians the willingness of America to receive and air all just complaints, but at the same time it will safeguard innocent and faithful American officers from revolting slander.

#### A SUMMARY OF THE FACTS.

On the evidence before it, the committee can now state—

(1) That the accusations of military abuses are limited in point of time to a few months, and in location to restricted areas.

(2) Very few of the many Americans who have served in Haiti are thus accused. The others have restored order and tranquillity under arduous conditions of service, and generally won the confidence of the inhabitants of the country with whom they came in touch.

(3) That certain Caco prisoners were executed without trial. Two such cases have been judicially determined. The evidence to which reference has been made shows eight more cases with sufficient clearness to allow them to be regarded without much doubt as having occurred. Lack of communications and the type of operations conducted by small patrols not in direct contact with superior authority in some cases prevented knowledge of such occurrences on the part of higher authority until it was too late for effective investigation. When reported, investigations were held with no apparent desire to shield any guilty party. Such executions were unauthorized and directly contrary to the policy of the brigade commanders.

(4) That tortures of Haitians by Americans has not in any case been established, but that some accusations may have a foundation in excesses committed by hostile natives or members of the gendarmerie without the knowledge of American officers. Mutilations have not been practiced by Americans.

(5) That in the course of the campaign certain inhabitants other than bandits were killed during operations against the outlaws, but that such killings were unavoidable, accidental, and not intentional.

(6) That there was a period of about six months at the beginning of the outbreak when the gendarmerie lost control of the situation and was not itself sufficiently controlled by its higher officers, with the result that subordinate officers in the field were left too much discretion as to methods of patrol and local administration, and that this state of affairs was not investigated promptly enough, but that it was remedied as soon as known to the brigade commander. That the type of operations necessarily required the exercise of much independent discretion by detachment commanders.

(7) That undue severity or reckless treatment of natives are never countenanced by the brigade or gendarmerie commanders and that the

investigation by naval authority of charges against members of the Marine Corps displays no desire to shield any individual, but, on the contrary, an intention to get at the facts.

(8) That the testimony of most native witnesses is highly unreliable and must be closely scrutinized and that many unfounded accusations have been made. It is also felt that in the case of accusations of abuses committed two years ago now made for the first time the delay has not arisen through any well-grounded fear of oppression by military authority, but that many of those accusations in affidavit form now forthcoming are produced at this late date because it is thought by those who are agitating for the immediate termination of the occupation that such accusations will create in the United States a sentiment in favor of such termination. In such cases the delay in making the charges and in presenting the evidence weighs heavily against the truth of the charge. All such charges, however, require full investigation. The committee feels certain that the necessary investigation by the Navy Department will be thoroughly conducted, that the rights of those accused will be respected, and that there will be no suppression of facts. When collected, the facts so obtained may be weighed with the facts alleged in the accusation. If, when all such evidence is in, the committee has any reason to change any of its conclusions, it will submit with the evidence as printed such revision of this report on the alleged military abuses as may be required.

The committee believes that an important lesson may be learned from a study of the bandit campaign and the subsequent grave charges of misconduct. The lesson is the extreme importance in a campaign of this kind for higher command to require daily operation reports to be prepared by patrol leaders. In the early days of the outbreak such reports were not systematically required. Small patrols would be out of touch with the rest of our forces for days or weeks under distressing conditions of service. There is no complete record of the places they visited or when the visits were made or who was in command. If such reports or records were in existence, innocent individuals could instantly be cleared of unfounded charges and guilty individuals could be identified with certainty. Such reports would have been a safeguard to the inhabitants and to the reputation of the Americans.

#### AMERICAN EFFORT TO BLACKEN THE NAME OF THE NAVY.

In concluding this portion of the report the committee expresses its chagrin at the improper or criminal conduct of some few members of the Marine Corps and at the same time feels it to be its duty to condemn the process by which biased or interested individuals and committeees and propagandists have seized on isolated instances or have adopted as true any rumor, however vile or baseless, in an effort to bring into general disrepute the whole American naval force in Haiti. The committee wishes to express its admiration for the manner in which our men accomplished their dangerous and delicate task.

Patrolling still goes on, although the country is peaceful. For the last two years or more daily reports have been required. It is noteworthy that in the last two years or more there have arisen no serious grounds for complaint.

The confidence placed in the Americans by the Haitian peasants and the approval frequently communicated to the committee by those who know and sympathize with the peasants and who are engaged in philanthropic or educational work among them negative the idea of any campaign of terrorism against the inhabitants, such as agitators and professional propagandists, Haitian and American, would have appear.

The acceptance of the status quo, the appreciation of the present peace and increasing prosperity of the country, by the mass of the people, is proven by the fact that there are among two and a half million people only twenty-five hundred gendarmes and less than twenty-five hundred marines.

#### A SUMMARY OF FAILURE AND ACHIEVEMENT.

It has been necessary to interrupt the general consideration of the American occupation in Haiti in order to review at length the incidents of the outbreak of 1918 and 1919. The committee is not prepared to say that the rising of Caco bands in the section of the country where for a generation revolution habitually originated was encouraged by the corvée. But it is impossible not to condemn the blunder committed when under the corvée laborers were carried beyond their vicinage to work under guard in strange surroundings. This was an error of commission like those of omission arising from failure to develop a definite and constructive policy under the treaty or to centralize in some degree responsibility for the conduct of American officers and officials serving in Haiti under the Government of Haiti or that of the United States. The blunder arose, too, from the failure of the departments in Washington to appreciate the importance of selecting for service in Haiti, whether in civil or military capacities, men who were sympathetic to the Haitians and able to maintain cordial personal and official relations with them.

It may be set down to the credit of the American occupation and the treaty officials that the Haitian cities, once foul and insanitary, are now clean, with well-kept and well-lighted streets. The greater part of an arterial highway system opening up the heart of the country has been built. The currency, which once violently fluctuated under the manipulations of European merchants, has been stabilized, to the great advantage of the Haitian peasant. Arrears of amortization as well as of interest on the public debt have been paid, as also are regularly paid the salaries of the smallest officials. The steamship communications between Haiti and the United States are greatly improved. Trade and revenues are increasing. The revision of the customs and internal taxes, so important to the prosperity of Haiti and especially of its poorest classes, awaits the funding of the debt by a new loan. There is peace and security of property and person throughout the Republic. The peasant in his hovel or on the road to market is safe from molestation by brigand or official authority. A force of 2,500 gendarmes, insufficiently trained to cope with the Caco outbreak in 1918, is now admirably disciplined. As its morale has improved, the force has become at once more considerate and more efficient in the discharge of its duties. It is noteworthy that an increasing proportion of the commissioned officers are native Haitians, those promoted from the ranks to be supplemented by others, graduates of the newly established cadet school. In brief, under the treaty the peace of the Republic, the solvency of its Government, and the security of its people have been established for the first time in many years.

WHAT MUST BE DONE.

Nevertheless your committee submits that the American people will not consider their duty under the treaty discharged if, in addition to what has been accomplished, there are not placed within the reach of the Haitian masses, justice, schools, and agricultural instruction. The treaty itself makes no provision to consummate these things necessary to be done for progress in Haiti. There ought to be appointed a legal adviser to the high commissioner. It would be an act of statesmanship and of comity on the part of our Government if it would send to Haiti a commission comprising a commercial adviser, an expert in tropical agriculture, and an educator of the standing and special experience of Doctor Moton, of Tuskegee. There ought to be a survey of the need and opportunity for industrial and especially of agricultural instruction and development in a country which depends upon agriculture as its sole source of wealth. Cuba is as exclusively an agricultural country as Haiti. Like Haiti it pays for its imports of manufactures by exports of tropical agricultural products. The per capita foreign trade of Cuba is from twenty to twenty-five times that of Haiti, and the per capita revenue greater in like proportion. Obviously, with continued peace and order, with the further building of highways and trails, with instruction in agriculture, the wealth, trade, and the revenues of Haiti will increase very greatly. Your committee submits that such an increase in wealth, commerce, and revenue is necessary to the social and political progress of the Haitian people. Although at this time a beginning may be made in the establishment of elementary schools throughout the country, primary education can not be made accessible to a majority of the children unless the wealth and revenue of the Republic are very much increased. As wealth and revenues increase, schools, trails, and highways may be extended, and as they are extended, in turn, the revenues will be further enhanced and so enable the further development of the public services. At the same time the buying power and the well-being of the people will increase as under American guidance or control they have so marvelously increased in Cuba and Porto Rico during the last generation. It is for this reason that your committee attaches importance to the dispatch of a commission such as suggested.

In this connection your committee believes it to be the duty of the American Government to advise the Haitian Government against permitting foreign interests to acquire great land holdings in Haiti.

Your committee would point out further that as communications are opened up and as the peasants are secure in their life and their property, and as each is able to earn something regularly from the sale of his little crop, the danger of revolution and banditry will diminish. It will be possible progressively to reduce the force of marines in the territory of the Republic and ultimately to intrust the maintenance of order and peace exclusively to the gendarmes. Your committee believes that a beginning in this direction may be made without further delay and that a concentration of the marine force may be begun and that the aggregate number of marines in the territory of the Republic may be reduced. It holds, however, that drastic reduction of the marine

force, or its early withdrawal, would certainly be followed by a recurrence of brigandage and by the organization of revolutionary bands. The committee urges further that in connection with the concentration of the marine force in a limited number of posts, steps should be taken to put an end to the system of military law under which persons are tried in provost courts for offenses by the press against public order, or for attacks upon the military and peace forces within the Republic. These provost courts to-day do not touch the lives of the overwhelming majority of the people. It was doubtless necessary to establish such courts, but it is not consonant with our declared purposes under the treaty to continue them indefinitely. Their abolition is conditioned upon certain precedent steps, among them a reform of the courts of first instance. This last is urgent and important.

Along the lines suggested there can be a rapid development in Haiti, moral, social, political, and economic, provided always that American policy be marked by continuity and by the spirit of service. Not only have certain American officers and officials been chosen for service in Haiti who were unsuited to their task, but men have been transferred from responsible posts before they could very well have learned the duties to which they had been appointed. During the six years of the American occupation in Haiti there have been half a dozen chiefs of the Latin American Bureau, half a dozen commandants of the forces of occupation, half a dozen commanders of the Gendarmerie d'Haiti. The committee holds that the reforms proposed (and heretofore informally suggested to responsible officials) should be energetically carried out.

So much for an American policy of constructive service to be rendered by American officials. On the part of Haitian officials and the literate element of the Haitian people there must be cooperation with the American officials. Haitians must candidly realize the meaning of the unhappy events of the last 20 years and appreciate that in collaboration with America under the treaty Haiti can develop the wealth necessary to progress, provide for the general education of her people, and establish a more truly representative system of government than she has ever known. There are certain elements in Haiti which can balk and perhaps delay the rehabilitation of the country. They can not prevent it. They can do much to further it. The obvious duty of patriotic Haitians is to uphold their own Government in effectively cooperating with that of the United States under the treaty, and so hasten the day when Haiti may stand alone. The alternative to the course herein suggested is the immediate withdrawal of American support and the abandonment of the Haitian people to chronic revolution, anarchy, barbarism, and ruin.

Your committee deems it wise to defer the report upon the Dominican Republic in view of the negotiations happily to begin between the State Department and the Dominican leaders looking to the termination of the military government in Santo Domingo.

MEDILL MCCORMICK,  
TASKER L. ODDIE,  
ATLEE POMERENE,  
ANDRIEUS A. JONES.

APPENDIX A.

Import duties applied in guarantee of debts.

Arrears in agreed budgets.....	Duties on merchandise, in American dollars: 10 per cent of surtax, except on duties applied to repairing of streets in Port au Prince.	Wharfage, in American dollars: 10 per cent of surtax, except on duties collected at Port de Paix and Port au Prince.	Tonnage: 10 per cent of surtax, except on duties collected at Cape Haitien, Gonaives, Port au Prince.
Loan of 1910.....	Duties on merchandise, in American dollars: 15 per cent of surtax.	Wharfage, in American dollars: 15 per cent of surtax.	Tonnage: 15 per cent of surtax.
Repairs to streets of Port au Prince..	Duties on following articles, in gourdes: Oils, all kinds of essences, coal tar, tar, matches, rosin, paints; including additional duties of 50 per cent and 33½ per cent on merchandise.	Duties on merchandise, in American dollars: 25 per cent of surtax on the duties enumerated in first column.	
Department of public instruction....	Supplementary duties on tobacco: \$0.02 per pound imported.		
Interior debt, 1912.....	Duties on merchandise, in American dollars: 5 per cent of surtax, except on duties applied to repairing of streets in Port au Prince.	Wharfage, in American dollars: 5 per cent of surtax, except on duties collected at Port de Paix and Port au Prince.	Tonnage: 5 per cent of surtax, except on duties collected at Cape Haitien, Gonaives, Port au Prince.
Interior debt, 1913.....	do.	do.	Do.
Interior debt, 1914 (May 8).....	Duties on merchandise, in American dollars: 5 per cent of surtax.	Wharfage, in American dollars: 5 per cent of surtax.	Tonnage: 5 per cent of surtax.
Loan of June 20, 1914 (tobacco).....	Supplementary duties on tobacco: \$0.03 per pound imported; \$0.08 per pound imported.		
Loan of Aug. 14, 1914.....	Duties on merchandise, in American dollars: 5 per cent of surtax, except on duties applied to repairing of streets in Port au Prince, when this portion of the surtax is available.	Wharfage, in American dollars: 5 per cent of surtax, except on duties collected at Port de Paix and Port au Prince, when this portion of the surtax will be available.	Tonnage: 5 per cent of surtax, except on duties collected at Cape Haitien, Gonaives, and Port au Prince.
Lighting in Cape Haitien.....	Tonnage duties at Cape Haitien, including additional duties on tonnage of 50 per cent and 33½ per cent.	25 per cent surtax on foregoing duties.....	
Lighting at Gonaives.....	Tonnage duties at Gonaives including additional tonnage duties of 50 per cent and 33½ per cent.	.....do.....	Surplus of duties applied to lighting of Cape Haitien and Port au Prince, after settlements as per contracts.
Lighting of Port au Prince.....	Tonnage duties at Port au Prince, including additional duties on tonnage of 50 per cent and 33½ per cent.	.....do.....	
Wharf at Port au Prince.....	Wharfage duties, in gourdes, at Port au Prince, including additional wharfage duties of 50 per cent and 33½ per cent.	.....do.....	
Jetty at Jacmel.....	Wharfage duties, in gourdes, at Jacmel, including additional wharfage duties of 50 per cent and 33½ per cent.	Tonnage duties at Jacmel, including additional tonnage duties of 50 per cent and 33½ per cent.	

Export duties applied in guarantee of debts.

Debt.	Export duty.	Amount. <sup>1</sup>
Loan of 1875.....	Duties on coffee, per 100 pounds exported.....	\$0.33 $\frac{1}{2}$
Loan of 1893.....	do.....	1.20
Loan of 1910.....	do.....	1.00
Loan of Aug. 14, 1914.....	do.....	.05
Repairs to streets of Port au Prince.	do. <sup>2</sup> .....	.03
Do.....	Duties on sorted coffee, per 100 pounds exported <sup>3</sup> .....	.35
Irrigation of Cayes plain	Duties on coffee, per 100 pounds exported.....	.10
Cable company subsidy	do.....	.05
Market and repairs to streets of Cayes.	do.....	.05
Cathedral at Cape Haitien.	Duties on sorted coffee, per 100 pounds exported.....	.15
Fouchardebt.....	Duties on cacao, per 100 pounds exported.....	1.10
Railroad, Plain Cul de Sac.	Duties on logwood, per 1,000 pounds exported.....	.50
	20 per cent duties on cacao and logwood: <sup>4</sup>	
	Cacao.....	.45 $\frac{1}{2}$
	Logwood.....	.30
Cie. Nationale de Chemins de fer Haiti.	Duty on logwood, <sup>5</sup> per 1,000 pounds exported.....	.75
Do.....	Duties on mahogany, including additional duties per 1,000 feet.....	\$ 3.00
Do.....	Duties on cedar, per 1,000 pounds:	
	Logs.....	1.00
	Butts.....	1.50
Do.....	Duties on gaïac (lignum-vitæ), per 1,000 pounds:	
	Logs.....	1.00
	Butts.....	1.50
Wharf at Port au Prince	Wharfage duties at Port au Prince.....	
Jetty at Jacmel.....	Wharfage duties at Jacmel.....	

<sup>1</sup> In American currency.  
<sup>2</sup> To the extent eventually of not less than the monthly allowance of \$7,000 minimum guaranteed by contract.  
<sup>3</sup> *Moniteur* 73, dated Sept. 10, 1910: Beginning with the period 1915-16, \$0.35 on sorted coffee and \$0.03 on ordinary coffee, which duties are applied to the repair of streets in Port au Prince, will be replaced to the extent of the sum guaranteed monthly by the \$0.10 on coffee now applied to the irrigation of the Cayes plain as soon as this duty is available.  
<sup>4</sup> To the extent of \$41,280.  
<sup>5</sup> On logwood originating at points in the interior, 20 kilometers from either side of the railroad, and which, by means of the railroad, may be brought to a seaport; the excess over 20 per cent of duties on cacao and logwood applied to the P. C. S. will be employed for this application.  
<sup>6</sup> Plus 20 per cent and 10 per cent additional.  
 The export tax on coffee is \$3 per 100 pounds. This tax produces approximately one-third of the total income of the Haitian Government, and is apportioned as follows:  
 Pledged to the service of the external loans..... \$2.53 $\frac{1}{2}$   
 Pledged to the service of the internal loans..... .05  
<sup>1</sup> The tax on coffee herein mentioned does not include the tax of \$2.50 on sorted coffee, which produced approximately \$87,500.

Subsidies and loans for local improvement.....	\$0.23
Remaining to the Government of Haiti for current expenses.....	.18 $\frac{1}{2}$
Therefore—	
	Per cent.
Pledged to the debts of the country.....	93.8
Free for current expenses.....	6.2

Reduction of debt of the Republic of Haiti from February 28, 1919, to February 28, 1922.  
 [Expressed in francs.]

Foreign debt of Republic of Haiti as of February 28, 1919:	
Loan of 1875:	
Capital.....	19,252,560.00
Interest arrears.....	3,529,636.00
	22,782,196.00
Loan of 1896:	
Capital.....	37,638,500.00
Interest arrears.....	8,280,470.00
	45,918,970.00
Loan of 1910:	
Capital.....	64,021,000.00
Interest arrears.....	11,641,858.54
	75,662,858.54
	144,364,024.54

Against these foreign loans, the following payments had been made up to February 28, 1922:

Loan of 1875:	
Capital, paid in full.....	\$19,252,560.00
Deferred interest, due Feb. 28, 1919.....	3,529,636.00
Loan of 1896:	
Capital.....	11,300,000.00
Deferred interest, due Feb. 28, 1919.....	8,280,470.00
Loan of 1910:	
Capital.....	2,925,500.00
Deferred interest, due Feb. 28, 1919.....	11,641,858.54
	\$56,831,024.54

From February 28, 1919, to February 28, 1922, the internal debts of the Republic of Haiti had increased \$887,339.47, although the amount of \$493,910.13 had been paid against them, which latter amount was made up as follows:

Cie. Haitien de Construction.....	\$165,600.00
P. C. S. Railroad.....	75,000.00
Wharf company.....	28,000.00
Interest on bank loan (note).....	225,310.13
	493,910.13

Therefore, the net reduction in the entire indebtedness is \$5,92,739.43, less \$887,339.47, which leaves \$5,105,399.96.

<sup>1</sup> Converted at 9.5 francs per \$1, equals \$5,992,739.43.

Method of collection of customs duties.

IMPORT.

COLLECTED ON MERCHANDISE IMPORTED.				
In gourdes: Duties on merchandise (as per tariff) plus additional of 50 per cent and 33 $\frac{1}{2}$ per cent.	.....	Wharfage (as per tariff) plus additional of 50 per cent and 33 $\frac{1}{2}$ per cent.	.....	Weighing (as per tariff) plus additional of 50 per cent and 33 $\frac{1}{2}$ per cent.
In American dollars: On merchandise—Surtax on total in gourdes visé on amount of invoice, 25 per cent, 15 per cent, 5 per cent, 1 per cent.	Tobacco: Special duties in addition to that in gourdes, as per tariff, additional and surtaxes, \$0.03 and \$0.10 per pound imported.	Plus 25 per cent, 15 per cent, and 5 per cent, surtaxes on total in gourdes.	.....	Plus 25 per cent, 15 per cent, and 5 per cent, surtaxes on total in gourdes.
COLLECTED FROM THE VESSEL.				
In gourdes: Lighthouse (as per tariff) plus additional of 50 per cent and 33 $\frac{1}{2}$ per cent.	.....	Entry pilot (as per tariff) plus additional of 50 per cent and 33 $\frac{1}{2}$ per cent.	.....	Sanitary inspection (as per tariff) plus additional of 50 per cent and 33 $\frac{1}{2}$ per cent.
In American dollars: Lookout, 25 per cent, 15 per cent, 5 per cent surtaxes on total in gourdes.	.....	25 per cent, 15 per cent, 5 per cent surtaxes on total in gourdes.	.....	25 per cent, 15 per cent, 5 per cent surtaxes on total in gourdes.
				Tonnage, \$1 per ton unloaded—plus additional of 50 per cent and 33 $\frac{1}{2}$ per cent.

EXPORT.

COLLECTED ON MERCHANDISE EXPORTED.			
In American dollars: Coffee, \$3 per 100 pounds, exported.	Sorted coffee, \$2.50 per 100 pounds.....	Cacao, \$1.75 per 100 pounds, plus 20 per cent and 10 per cent additional.	Mahogany, \$3 per 1,000 feet, plus 20 per cent and 10 per cent additional.
Logwood (logs or butts), \$1.50 per 1,000 pounds.	Cedar: Logs, \$1; butts, \$1.50, per 1,000 pounds.	Gaïac: Logs, \$1; butts, \$1.50, per 1,000 pounds.	Various other commodities (as per tariff).
Weighing (as per tariff).....	Wharfage (as per tariff).....		
COLLECTED FROM THE VESSEL.			
In gourdes: Exit pilot (as per tariff) plus 20 per cent and 10 per cent additional.	.....	Tax for putting into port (as per tariff) plus 20 per cent and 10 per cent additional.	

## APPENDIX B.

LETTER FROM HON. ROBERT LANSING, FORMER SECRETARY OF STATE, TO THE CHAIRMAN OF THE SELECT COMMITTEE ON HAITI AND THE DOMINICAN REPUBLIC.

WASHINGTON, D. C., May 4, 1922.

HON. MEDILL MCCORMICK,  
Chairman Select Committee on Haiti and Santo Domingo,  
Senate Chamber, Washington, D. C.

MY DEAR SENATOR: Complying with your request for a statement from me regarding Haiti, I beg to submit the following as embodying the contemporary views of the State Department on the financial and political disorders in Haiti, which caused a critical state of affairs during the last days of July, 1915, and on the attitude of the German Government toward Haiti, because largely upon those two considerations were based the instructions of the State Department to the United States Legation in Haiti and, through the Navy Department, to the United States naval commander in Haitian waters. The events to which I shall refer in this statement were succeeded by the ratification of the present treaty between the United States and Haiti, which had for its objects the insurance of Haiti's future welfare upon a permanent basis of law and order and the prevention of foreign intervention in the future based on political and financial disorders in Haiti.

On July 30, 1915, the U. S. S. *Connecticut* came into the harbor of Port au Prince just as President Guillaume Sam was being murdered and his body mutilated by an infuriated mob. This was an act of vengeance for the massacre of some scores of prisoners in the prison at Port au Prince who were political opponents of Guillaume Sam's government. The crowds attending the funeral processions of these victims of tyranny turned from them in a frenzy, dragged Guillaume Sam from the asylum which he had sought in the French Legation, killed him, dismembered his body, and paraded through the streets exhibiting the ghastly fragments. Revolutionary forces were at the time in possession of other principal parts of the country and threatened to attack the city of Port au Prince. There was no government to preserve order in the city or in the country. On the contrary, there was anarchy and armed insurrection. Universal fear prevailed, while the lives of Haitians and foreigners alike were imperiled by the conditions which existed. The violation of the extraterritoriality of the French Legation indicated the ruthless lawlessness of the revolutionaries. In the circumstances the forces of the United States were landed as a matter of urgent necessity.

The murders and atrocities perpetrated marked the complete breakdown of Haitian institutions, the culmination of a process of disintegration which had been in progress for a generation or more. It was evident from the state of affairs that there remained no possibility of a civilized government functioning without external assistance. The limit of tolerance for such conditions, which menaced the lives and property of Americans and other foreigners, was finally reached when the French Legation was violated. The restoration of order and government in Haiti was as clearly the duty of the Government of the United States as was the landing of the marines. If the United States had not assumed the responsibility, some other power would. To permit such action by a European power would have been to abandon the principles of the Monroe doctrine. The United States had no alternative but to act, and to act with vigor.

The process of disintegration above referred to is a matter of common knowledge. It is enough to say that none of the many Haitian Governments immediately preceding that of Guillaume Sam was able to maintain itself against revolution. Those persons who were from time to time in power were irresponsible and arbitrary. The inhabitants were exploited and robbed. So insecure were they in their possessions and so frequently in danger of their lives that industry throughout the country was paralyzed. Foreign lives were not taken, but there was such recurrent apprehension of violence that few years passed without the necessity of United States ships appearing in Haitian waters. Cruisers of foreign powers often came on similar errands, and on occasions European sailors or marines had been landed. These conditions had become chronic, and they had, year after year, grown progressively worse. In June of 1915 a French cruiser had landed a force at Cape Haitien, and these were only withdrawn when American marines were landed to take their place. After the invasion of the French Legation France dispatched a cruiser to Port au Prince and landed a force, which guarded the legation for several weeks without objection on the part of the United States Government. It was manifest that the danger to foreign lives in Haiti, which was constantly increasing, made the possibility of European intervention more and more probable unless the United States acted.

A default in payments to European creditors presented another danger. Haitian foreign loans were held by Germans, French, and English, but not to any great extent by Americans. The foreign loans were secured by the customs revenues—thus a default would have given rise to the desire on the part of European Governments to seize the Haitian customhouses and administer the customs—a situation which, being of indefinite duration, would have caused serious political complications and been a grave menace to the peace of this hemisphere and to the immunity from European interference with American institutions. The finances of Haiti had been growing steadily weaker, and the ability to meet her obligations had ceased. Interest on the public debt of about \$20,000,000 had been paid with creditable regularity, but it had become necessary to borrow from the National Bank of Haiti and to make local forced loans elsewhere in order to meet these interest payments, and the limit of the ability to borrow had been reached. Amortization of foreign loans were many years in arrears. Revolutions had greatly increased the internal and floating debt. Fiat paper money was being issued but not used and payment of salaries of public employees was suspended. For this state of affairs no temporary remedy could suffice. This financial situation need hardly be treated here in greater detail.

In this connection, however, there was a more critical state of affairs than has been generally known. I refer to the attitude of the Imperial German Government in connection with the political disorders and financial straits of Haiti and the pretenses for aggression thereby afforded. There was good reason to believe that in the years 1913 and 1914 Germany was ready to go to great lengths to secure the exclusive customs control of Haiti, and also to secure a coaling station at Mole St. Nicholas. It is this feature that I would particularly call to the attention of your committee.

The United States had no wish to obtain a naval coaling station at Mole St. Nicholas. The Navy Department had long since definitely determined that a station there was not desirable, but it was also per-

fectly clear that a coaling station directly or indirectly controlled by another power would be a menace to the position of the United States in the Caribbean Sea, to the security of the Panama Canal and, consequently, to the peace of this hemisphere. A privately owned coaling station, whether in the hands of Americans or Europeans, would have been a danger if ever a coal supply was allowed to accumulate there greater than necessary for current commercial needs. In case of war the station and coal stored there would have been subject to capture. In view of the possible consequences the policy of the United States was clear. It could not look with favor on a privately owned coaling station at Mole St. Nicholas unless that was subject to its direct control. Though it did not need and it did not want such a station for itself, it could not permit a European Government to secure one. The indications were that Germany intended to obtain one unless she was prevented from doing so by the United States.

Although French is the official language of Haiti and French customs prevail as well as the practice of sending the children of wealthy Haitian families to France for their education, there has been, for many years, a strong German influence in the country resulting primarily from the establishment of German commercial houses at Haitian ports and the sending of young Germans to gain their livelihood in those concerns. A considerable number of these German residents have intermarried, so I have been informed, with the Haitians and are closely connected with and more or less active in the political and social life of the country.

During a number of years the Government at Washington was in receipt of various reports to the effect that foreign interests were desirous of obtaining coaling stations at Mole St. Nicholas, and in the year 1911 the Haitian Government at the insistence of the then American minister eliminated from a contract with a German national for a coastwise steamship service the granting of rights for a coaling station in Haiti.

In the year 1912 Hon. George von L. Meyer, then Secretary of the Navy, in reply to a communication from the Department of State in regard to the establishment of a coaling depot in Haiti for the steamship line of a foreign country, replied, referring to a communication made by the Navy Department to the State Department in 1910, to the effect that the Navy Department did not look with favor upon any proposition to establish so many coaling stations within such a limited geographical radius and could not contemplate favorably the prospect of having such stations in the hands of citizens of any of the European nations. The establishment of such stations would actually amount to the maintenance of a very considerable number of coaling stations close to our shores, which could be used by foreign vessels of war in the event of hostilities, and this, the Navy Department believed, should be prevented, if it were in the power of diplomacy to do so.

In the year 1913, and particularly in the year 1914, information was conveyed to the Department of State through official and unofficial sources, to the effect that a German commercial firm was active in an attempt to secure extensive concessions from Haiti containing grants sufficiently broad to permit the building of coaling stations at Mole St. Nicholas, the concessions to be combined with a loan secured by control of the Haitian customs by the concessionaire. It was further stated that the German Government was back of the German commercial firm making the proposal.

On June 1, 1914, the American minister at Port au Prince reported to the Department of State that he was reliably informed that the Haitian Government would entertain a proposition to lease to the United States Mole St. Nicholas on the basis of a cash payment and a yearly rental. It was further stated that the Government of Haiti would most probably require, as an essential provision of such lease, that the United States should pledge itself not to interfere now or at any future time with the collection or administration of the customs of Haiti and would agree to afford protection to Haiti against any other nation or nations which might attempt to secure control of the customs. The minister concluded his telegram with the statement that the German cruiser *Marietta* had arrived the day before at Port au Prince.

As the United States was not interested in obtaining a lease of Mole St. Nicholas, no reply was sent to the minister's telegram.

Meanwhile, during the late winter and spring of 1914, financial conditions in Haiti, as a result of the political chaos existing, had been rapidly becoming more and more involved and foreign interests were increasingly anxious to obtain some form of guaranty from Haiti that that Government would continue to respect its obligations. As in most cases of this nature, suggestions were made relative to the collection and control of the Haitian customs by foreign nationals representing the foreign-debtor interests. The foreign interests referred to were the holders of shares in the National Railroad of Haiti and in the National Bank of Haiti, and also the holders of the bonds representing the Haitian external debt. It was also obvious that those interested in the national bank, which was controlled by French shareholders, were deeply concerned as to the ability of the Haitian Government to continue its existing financial policy on account of its outstanding loans.

Although various plans were discussed in the Department of State, which had as their object the aiding of Haiti and at the same time the protection of the interests of its creditors by means of a regulation of customs collections and their application, no agreement was reached between the Government of the United States and the Government of Haiti. However, under date of July 15, 1914, two weeks before the beginning of the World War, the American consul at Cape Haitien informed the department confidentially that he had learned from reliable source that the German minister at Port au Prince had telegraphed the German consul at Cape Haitien asking whether an American warship had landed its forces and taken possession of the customhouse.

On July 18, 1914, Mr. von Haniel, the chargé d'affaires of the Imperial German Government, spoke with the Third Assistant Secretary of State, Mr. Phillips, in relation to Haitian affairs, and on July 21 Mr. Phillips requested Mr. von Haniel to submit to him a written memorandum of the views of his Government which he had orally expressed. On July 25 Mr. von Haniel wrote to Mr. Phillips:

"MY DEAR MR. PHILLIPS: In reply to your favor of the 21st instant and with reference to our conversation of the 18th instant concerning the participation of the Imperial Government in a customs control in Haiti, in case such a control would be established by the American Government, I beg to say that my Government comprehends that the American Government, probably for reasons of interior politics, does not think it desirable if the most interested European powers participate in an eventual customs control in Haiti, but the Imperial Government as well has to take into account the public opinion in their

country. Considering our economical interests in Haiti and the part of the Banque Nationale which is owned by Germans, people in Germany would not understand if my Government gave up their claim to participate in such a customs control. In the opinion of the Imperial Government, therefore, it will be the simplest solution if the status quo is maintained.

"I remain, my dear Mr. Phillips,  
"Very sincerely yours,

E. V. HANIEL."

Shortly following the delivery of the note of the German chargé d'affaires war broke out between Germany and France, and the communication was not replied to until September 16, 1914, when the then Secretary of State, Mr. Bryan, wrote the following note to the German ambassador, Count von Bernstorff:

"MY DEAR MR. AMBASSADOR: Replying to the note of your Government's chargé dated July 15, 1914, regarding the matter of customs control in Haiti, I beg to say that the Government of the United States recognizes the large part which German merchants and German bankers have played in the development of the trade and enterprise of Haiti and wishes to make this correspondence the occasion for expressing the pleasure with which it witnesses the employment of German capital and the activity of German men of affairs in this hemisphere, but represents to the Government of his Imperial Majesty that German interests are not the only interests which have played a conspicuous and highly influential part in the development of the Haitian Republic and that the Government of the United States is well known to have taken for many years and without variation of policy and position that neither foreign influence nor interest proceeding from outside the American hemisphere could with the consent of the United States be so broadened or extended as to constitute a control, either wholly or in part, of the Government or administration of any independent American State.

"The Government of the United States can not depart from that policy and feels confident that the Government of his Imperial Majesty will not expect it to do so.

"Probably a participation of the Government of his Imperial Majesty in any method which might be agreed upon by which the Government of the Republic of Haiti should be assisted in the orderly, efficient, and economical administration of its customs revenues did not present itself to his Imperial Majesty's Government as a departure from the traditional policy of the Government of the United States when its note of July 25 was drafted. But this Government would regard such a participation as a very serious departure from that policy alike in principle and in practice. The Government of the United States regards it as one of the grave possibilities of certain sorts of concessions granted by governments in America to European financiers and contractors and of certain sorts of contracts entered into by those governments with European banking houses and financiers that the legitimate and natural course of enforcing claims might lead to measures which would imperil the political independence, or, at least, the complete political autonomy of the American States involved, and might issue in results which the Government of the United States has always regarded it as its duty to guard against as the nearest friend and natural champion of those States whenever they should need a friend and champion.

"Whatever the Government of the United States might deem it friendly and wise to agree to with the Government of the Republic of Haiti by way of assisting her to make good her obligations and escape the risks of default or disorder to her finances would be done without intending to serve the interest of any citizen of the United States in preference to the interest of the citizens or government of any other country. It would be planned for the benefit of all concerned and upon a basis of absolute neutrality. This Government does not regard its insistence upon an exclusive privilege in matters of this kind, therefore, as a course dictated by selfishness, but, on the contrary, as a course clearly dictated by a desire for peace and the exclusion of all occasion of unfriendliness with any nation of the other hemisphere. It is willing to give any pledges of disinterest and impartiality that may reasonably suggest themselves, but thinks that its best pledge is the course which it has, in fact, invariably pursued in matters and in circumstances of this kind. Its declared purpose in this case, should the Republic of Haiti desire a convention with regard to the administration of her customs revenues, would, as always, be made frankly and without reservation of any kind, and this it would deem the best evidence of its friendship and respect for the Government of Germany and the rights of German citizens wherever American influence may touch them. This is the way of peace and of mutual accommodation.

"Accept, Excellency, the renewed assurances of my highest consideration.

"W. J. BRYAN."

On the eve of the declaration of war between Germany and Russia the U. S. S. *Connecticut* and the German cruiser *Karlsruhe* were both in the harbor of Port au Prince. On July 31, 1914, the *Karlsruhe* changed her position in order to screen the movements of her crew and a number of boatloads of German sailors with small arms and machine guns left the *Karlsruhe* and proceeded to the wharf where they landed. When halfway down the wharf the Germans turned about, returned to their boats, and went back to their ship. This mysterious action took place at dusk. Shortly afterwards the captain of the *Karlsruhe* came aboard the *Connecticut* and told the captain he had received orders to proceed to St. Thomas for coal and asked the captain of the *Connecticut* to protect German interests while he was gone. The *Karlsruhe* then steamed out of the harbor to begin her commerce-destroying cruise. Shortly afterwards the captain of the *Connecticut* was informed by wireless that war between Russia and Germany had been declared.

There is reason to believe that the German landing party was turned back on the wharf by the German minister to Haiti pursuant to cabled orders for the *Karlsruhe* to leave Port au Prince at once. Thus the local situation was by the outbreak of the war relieved of a conflict of interests which might have caused serious embarrassment.

In the month of July, 1914, the Secretary of State sent a draft of a proposed agreement between the Government of the United States and the Government of Haiti to the American minister at Port au Prince. This agreement, which was modeled after the treaty entered into between the United States and the Dominican Republic during the administration of President Roosevelt, embodied the following provisions:

The appointment of a general receiver of customs and his assistants by the President of the United States; the payment of customs duties to the general receiver, and granting him all protection in the performance of his duties; the appointment of the financial adviser to the Government of Haiti; the application of all sums collected to the pay-

ment of interest and sinking fund of the public debt of Haiti; that the Republic of Haiti would not increase its public debt, except by previous agreement with the United States; that the United States should have authority to prevent any and all interferences with the receipt, collection, or free course of the customs, or with the free exercise of powers imposed upon the receivership.

However, a short time after the receipt of the proposed agreement by the minister a revolution broke out against the government of President Zamor, which, as usual in Haiti, started at Cape Haitien in the north and proceeded to Port au Prince via the town of St. Mark. It is interesting to observe in connection with the history of revolutions in Haiti that they have uniformly been conceived in or about Cape Haitien and have proceeded along practically the same roads in the direction of the capital, namely, by way of the strategic town of St. Mark. It has been the established belief of most Americans who have been in Haiti, and of American officials who have been cognizant of Haitian affairs during the past decade, that the majority of these revolutions have been financed in the north of Haiti by German merchants, who could expect sufficient financial advantages from the success of the revolution to warrant the initial outlay.

The revolution against the Zamor government was successful, and Davilmar Theodore proclaimed himself President of Haiti. The Government of the United States withheld its recognition of Theodore as President of Haiti pending an investigation of his activities and the incidents in connection with his seizure of the sovereign power. Before any definite policy in this connection was determined a revolution against the Theodore government was started in the usual manner and culminated in the overthrow of Davilmar Theodore and the assumption of the presidency by Guillaume Sam. The United States, consistent with its policy in regard to the recognition of revolutionary governments, refused to recognize the government of Sam, and not long after Sam had installed himself in the presidential palace another revolution, headed by one Doctor Bobo, broke out in the north. The resulting conditions alarmed the French minister, and in June, 1915, a French cruiser occupied Cape Haitien with a landing party, as has already been stated. Before the revolutionary forces had actually reached Port au Prince the massacre of political prisoners above referred to had taken place and Sam had been butchered.

During the terms of office of these Presidents various attempts were made on the part of the Government of the United States through special missions and through the minister in Port au Prince to obtain from these provisional governments an agreement as to the entrance into some form of convention between the United States and Haiti. The essential provisions of these conventions were, like the Dominican treaty, the guaranty by the United States of Haitian independence and of the stability of the Haitian Government, and the privilege of the United States minister to advise the Haitian Government in its selection of Haitian citizens as officials of the Haitian customs service, as the customs revenue was a prize which attracted revolutionists and their financial supporters.

On account of the state of the country during this period, in which violence and anarchy were rife, the overtures made by the United States, solely out of a sincere desire to aid the Haitian people to establish an orderly and law-enforcing Government, which would restore stable political and economic conditions in the island, were fruitless.

Admiral Caperton, of the United States Navy, who had arrived with his flagship in Port au Prince on the day of the assassination of Sam, landed a naval force of the United States and assumed military control of Port au Prince on July 30, 1915. The admiral and the American chargé immediately took steps to cooperate with the Haitian committee of safety for the protection of life and property in the city and adjacent country.

Various aspirants for election by the Assembly of Haiti for President presented themselves, among whom the most notable were Doctor Bobo and Senator Dartiguenave. The American representatives, under direction of the Government of the United States, discussed with these candidates and with members of the Haitian Congress the conditions upon which the United States would recognize a Government in Haiti. These conditions were as follows:

"First. Let Congress understand that the Government of the United States intends to uphold it, but that it can not recognize action which does not establish in charge of Haitian affairs those whose abilities and dispositions give assurances of putting an end to factional disorder.

"Second. In order that no misunderstanding can possibly occur after election it should be made perfectly clear to candidates, as soon as possible and in advance of their election, that the United States expects to be intrusted with the practical control of the customs and such financial control over the affairs of the Republic of Haiti as the United States may deem necessary for efficient administration.

"The Government of the United States considers it its duty to support a constitutional government. It means to assist in the establishment of such a government and to support it as long as necessity may require. It has no design upon the political or territorial integrity of Haiti. On the contrary, what has been done, as well as what will be done, is conceived in an effort to aid the people of Haiti in establishing a stable government and maintaining domestic peace throughout the Republic."

Congress elected Senator Dartiguenave President on August 12. On August 14 the Department of State dispatched to the legation at Port au Prince instructions embodying the terms of a treaty to be negotiated, if possible, with the Government of Haiti.

On August 17 the chargé d'affaires of the United States, complying with the instructions received from the department, submitted to President Dartiguenave a draft of the proposed treaty. Negotiations with President Dartiguenave then proceeded. The President expressed his approval of the terms of the treaty, but for a month was unable to secure agreement on the part of his cabinet.

On September 15 the chargé d'affaires at Port au Prince reported to the department by telegraph that the Haitian Government had forwarded to the legation a copy of a formal protest addressed to it by the German minister, in which he stated that the American occupation and management of customs would be prejudicial to German interests. To this telegram the department replied that it would seem desirable that the Haitian Government should reply to the German minister to the effect that legitimate German interests would be accorded the same equitable and impartial treatment as would be given to all foreigners and foreign interests in Haiti.

On September 16 the treaty was signed, and on February 28, 1916, it was ratified by the Senate of the United States without a dissenting vote and without an amendment being offered. The principal provisions of this treaty were the guaranteeing of the independence of Haiti, the

establishment of a native gendarmerie, the appointment of an American financial adviser, and the administration of the customs service by Americans.

It is especially to be noted in connection with those provisions of the treaty that the Government of the United States, although it had received a proposal from Haiti to cede to the United States outright without restriction Mole St. Nicholas, declined to insert such a provision in the treaty and insisted upon the inclusion in the treaty of an article expressly embodying the idea that no Haitian territory was to be ceded to it.

On September 17 President Dartignenave's Government was accorded recognition by the United States.

The situation which confronted the representatives of the American civil and military forces in Haiti after the revolution and prior to the recognition of the Dartignenave Government was briefly as follows:

The customhouses throughout the country had been disorganized by an order of the preceding Government which directed the deposit of funds with private firms instead of with the Banque Nationale, the legal depository, and also by the threatened seizure of the customhouses by armed insurrectionary groups. The government of President Dartignenave had not funds available to pay the small number of troops under its orders and these dissatisfied troops were becoming a menace to peace and order. The inhabitants of towns in which customhouses were situated were deprived of their food supply by the hostile armed bands which infested the highways, and even the water system of Cape Haitien was cut by these brigands. Commerce was paralyzed and the city populations were starving, for the authority of the Dartignenave Government did not extend far beyond the outskirts of Port au Prince.

On August 19, in view of the serious conditions existing, which had been reported to the Government at Washington, Admiral Caperton received instructions to administer the customhouses so that the proceeds therefrom might be used temporarily to provide sustenance for the starving natives by paying them for labor on public works, to establish a gendarmerie to aid the Dartignenave Government in the pacification of the country, and also to prevent the diversion of the public funds of the Haitian Government into the pockets of unscrupulous persons.

The customhouses were taken over between August 20 and September 2 as rapidly as the American squadron commander could place in charge of them American officers as administrators and could furnish them adequate protection. The customhouse at Port au Prince was the last to be taken over, on September 2. On September 3 the prevailing conditions of anarchy called for the proclamation of martial law. Thereafter, until the treaty was ratified by both countries, the customs were administered by the naval forces of the United States. After ratification the customhouses were taken over by the receiver general, a treaty official.

In October, 1915, attacks were made on parties of United States marines near Cape Haitien, and thereafter a sharp campaign was carried on against the lawless bands operating in the Republic which resulted in the restoration of order throughout the country. Many hundreds of the outlaws surrendered their arms, receiving a small sum for each rifle, and those who did not surrender were dispersed. With the restoration of order and the coming into effect of the treaty this period of the American occupation came to a close.

As may be concluded from the foregoing review of the circumstances leading up to the establishment of treaty relations between the United States and Haiti, the Government of the United States was animated by two dominating ideas:

1. To terminate the appalling conditions of anarchy, savagery, and oppression which had been prevalent in Haiti for decades, and to undertake the establishment of domestic peace in the Republic in order that the great bulk of the population, who had been downtrodden by dictators and the innocent victims of repeated revolutions, should enjoy a prosperity and an economic and industrial development to which every people of an American nation are entitled.

2. A desire to forestall any attempt by a foreign power to obtain a foothold on the territory of an American nation which, if a seizure of customs control by such a power had occurred, or if a grant of a coaling station or naval base had been obtained, would have most certainly been a menace to the peace of the Western Hemisphere and in flagrant defiance of the Monroe doctrine.

Very sincerely yours,

ROBERT LANSING.

Mr. KING. Mr. President, the last sentence uttered by the Senator from Nevada constrains me to make one observation. I am sure the Senator does not mean to imply that other Senators have not advised themselves in regard to the question. I want to assure the Senator that I have read every page of the testimony. I have talked with scores of individuals who have visited Haiti, including a number of Haitians themselves. I was in Haiti a year and nine months ago for a short time only, however, and made inquiries there as best I could in regard to conditions and in regard to the control of the Haitian Government by American forces. I have read the report of the committee. I have had conferences with most of the members of the committee and know their views.

I think the Senator is in error in assuming, as his statement would seem to assume, a lack of information by the American people and by Senators in regard to the question. I concede that in its details perhaps a greatly overwhelming majority of the American people are not familiar with the occupation of Haiti and San Domingo.

But, Mr. President, my position is based upon the broad ground that the people of San Domingo and the people of Haiti have the right to determine their own form of government. It is not our island. It is not under the American flag. It is inhabited by people of a different race, who have a different culture and who have lived under different conditions from those prevailing in the United States. They did not invite us there. They do not want us there. It is their island, and the true government upon the island ought to be controlled by the people themselves.

If the right of self-determination has any justification in morals or in fact, now is the time to apply it. This Nation of ours, with all its power, notwithstanding its altruism and its benevolent intentions, ought not to subject an alien people such as these to the control of the Government of the United States. I concede for the argument, although I shall not enter into a discussion of it, that our occupation of Haiti and San Domingo might be of immense advantage to the people, might improve their health, might improve their morals, might improve them culturally and otherwise; but it is their country, their land, and they have a right to determine the kind of government they want.

For the same reason, I have been opposed to our keeping the Philippine Islands. I regard it as violative of the spirit of our institutions for the American Government to continue its authority over the Filipinos. We ought to get out of the Philippine Islands and let the people there organize the kind of a government they want. We ought to get out of Haiti and San Domingo and turn over to the people the territory and governments which belong to them.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah [Mr. KING]. The amendment was rejected.

Mr. BROOKHART. Mr. President, I desire to offer an amendment to the pending bill. On page 56, line 13, I move that the words "when time and facilities permit" be stricken out.

Mr. POINDEXTER. I can not speak for the committee in regard to the amendment offered by the Senator from Iowa, and, of course, I do not know what view the conferees may take in regard to it, but personally I have no objection to the adoption of the amendment and letting it go to conference.

Mr. BROOKHART. Its adoption would leave the provision of the naval bill the same as that of the Army appropriation bill which was recently enacted into law.

The PRESIDING OFFICER. The amendment offered by the Senator from Iowa will be stated.

The READING CLERK. On page 56, line 13, after the words "United States," strike out the words "when time and facilities permit," so as to read:

And that no part of the moneys appropriated in each or any section of this act shall be used or expended for the purchase or acquirement of any article or articles that at the time of the proposed acquirement can be manufactured or produced in each or any of the Government navy yards of the United States for a sum less than it can be purchased or acquired otherwise.

The amendment was agreed to.

Mr. KING. Mr. President, I shall be very brief. May I inquire of the Senator from Washington with respect to two items, one of which I have directed attention to heretofore, but the other I did not call to the Senator's attention. On page 29 I find the following provision:

Retainer pay and active service pay of members of the Naval Reserve Force class 1 (fleet naval reserve), \$5,700,000.

Returning to page 13 and to the item heretofore considered in lines 19, 20, and 21 I find this provision:

And retainer pay of officers and enrolled men of the Naval Reserve Force, other than class 1, \$3,800,000.

May I just make a brief statement as to my understanding of the two provisions? As it is constituted at present, the Naval Reserve consists of two classes: Class 1, fleet naval reserve, which consists largely of line officers and men who have resigned from the service; and, secondly, class 6, reserve officers and men who have voluntarily entered the naval service. The last class can be classified practically as a volunteer reserve. In the provision for pay of the Naval Reserve Force the two items to which I have referred can be found.

I would like to ask the Senator if it is not a fact that the first provision relates almost wholly to line officers; that is to say, if line officers would not be the beneficiaries almost entirely of the large appropriation found on page 13?

Mr. POINDEXTER. No; that is not the case. It relates to both officers and men. The fleet reserve is composed of four classes:

Class 1a. Ex-officers, Navy, who have entirely severed their connection with the Navy and engaged in civilian pursuits, enrolled for four-year period, required to take drills and training cruises same as class 2 in order to draw pay of any kind.

Class 1b. Ex-men of the regular Navy of at least one four-year enrollment, who have entirely severed their connection with the Navy and engaged in civilian pursuits, enrolled for four-year period and required to take drills and training duty the same as class 2 in order to draw pay of any kind.

Class 1c. Men of the regular Navy of 15 or more years' experience, connection with Navy not severed but transferred

direct to class 1c for indefinite period, not required to drill or train in order to draw retainer pay, receive one-third active-duty pay.

Class 1d. Same as class 1c, except members have had 20 years' active naval service and receive active-duty pay.

Mr. KING. May I inquire of the Senator if the addition made in the Senate the other day of \$900,000 will not go almost entirely to officers of the line—that is, to persons who have been in the line and who have separated themselves from the service and are in private life?

Mr. POINDEXTER. Not at all. The first item will go in part to officers of the line, as I have just stated. The other item to which the Senator refers would go to 1,500 officers and to 6,000 men of an entirely different class upon the basis of the regulations and requirements as to drills and training which in detail I pointed out to the Senator a few days ago.

Mr. KING. If I may further pursue the inquiry, the \$900,000 which was added, if it remains in the bill, will be devoted almost exclusively to officers rather than to men, will it not?

Mr. POINDEXTER. That is the question I just answered, and I answer it again in the negative. It will not. It will go partly to officers and partly to men upon the ratio of 1,500 officers to 6,000 men.

Mr. KING. I hope the Senator is right, but my information is just the reverse of that which has been announced by the Senator. May I inquire of the Senator with reference to the \$5,700,000? None of this amount will be devoted, as I understand it, and I put it in the interrogative form, to the payment of either officers or men for any active service rendered?

Mr. POINDEXTER. I answer the question in the negative. I have just read to the Senator, and if the Senator will refer to the Record and the statements which I have just made to him, he will see that it is pay for services rendered—that is, if we consider active training in the Navy as service. The men are compelled to take the active training in order to be entitled to receive retainer pay.

Mr. KING. I again state that I hope the Senator is right, but my information is that none of those who will be the beneficiaries of the \$5,700,000 will be required to render active service.

Mr. POINDEXTER. I ought to qualify that statement, perhaps, although it is not necessary in view of the detailed statement I made a moment ago, by adding that classes C and D of the fleet naval reserve are composed of enlisted men of the Navy who have served in the one class 16 years in the Navy and in the other class 20 years in the Navy. They are entitled to retainer pay without performing active drill.

Mr. KING. My understanding is that the entire amount will be devoted to the payment of men who have separated themselves from the service and have gone back to private life, both officers and men; that there will be a large number of persons who were officers in the Navy who have separated themselves from the Navy and gone into private life, and who will get two months' base pay every year as long as they live if this provision should be continued in subsequent bills, and that it would give two months' pay without any service whatever to a large number of persons who have gone into private life, who had been in the Navy 15 years to 20 years and between those two periods. So that it amounts to a pension to both officers and men who have left the Navy and have gone out into private life. I think that upon examination the Senator will find it is true that this has been a method of pensioning officers and men who have left the Navy and gone into active private life. It is true that they are enrolled as members of the Naval Reserve or the Government regards them as appendages of the Navy, but they do nothing and they are not required to do anything except in the event of war; and in the case of war, for that matter, they could be called to the colors to aid their country.

Mr. POINDEXTER. To what class of men is the Senator referring?

Mr. KING. I am referring to those covered by the appropriation of \$5,700,000.

Mr. POINDEXTER. Some of those are in the class which the Senator describes; that is, although this is the third time I have stated it, those, in the one instance, who have served 15 years and those, in the other instance, who have served 20 are not required to take training. The others are required to take training.

Mr. KING. I think the facts are that all who come under the appropriation to which I have referred have served 15 years or more.

Mr. POINDEXTER. The Senator from Utah is mistaken about that.

Mr. KING. I think the Senator from Washington is in error. I think that the appropriation of \$5,700,000 is provided for the purpose of paying a pension to persons, and in order not to call it a "pension" this adroit method has been employed. It is for the purpose of giving to a large number of officers who have gone into private life two months' pay and to give to individuals who have left the Navy and gone into private life two months' pay, although in neither instance are they rendering any service whatever to their country. That is my information.

Mr. POINDEXTER. The Senator's information is not correct. The facts are as contained in the statement which I took the trouble to read into the Record and which I have repeated several times since. There is, however, a further observation which I should like to make in regard to the matter. Whatever the merits of the case may be, the Government is obligated under the law to make these payments. If the law is unjust or unwise, then the Senator from Utah or anybody else who thinks so ought to take steps to have it amended or repealed. Certainly the Government does not want to be in the position of refusing to pay the obligations which it assumed to the men who are entitled to payment under a law which has been enacted.

Mr. KING. Mr. President, that does not answer the situation at all. A provision is found in this bill to appropriate \$5,700,000 for the coming year to a class of individuals who, according to my information, render no service whatever to the country. The fact of the matter is that when the war was over we had too many officers and too many men, and the Navy Department wanted to make provision for a large number of those persons whom it could not retain in the service; that is my information; and this plan was devised to give a pension to those who had been in the service for 15 years or 20 years, increasing the amount according to service, and provision has been made in several appropriation bills since to give to them what I have denominated as a pension, though they have returned to private life and are doing nothing whatever in a naval sense for the country.

Mr. POINDEXTER. Mr. President, I do not want to protract the discussion; but I will say that if we were here considering the enactment of a law on that subject as to some of the classes in large part I would agree with the Senator; in other words, I think that the payments are overliberal. I vigorously opposed the enactment of the law, but it was fought out very intensely; my views did not prevail, and it is the law. So the only thing the Government can do is to appropriate the money to make the payments. However, only a small portion of these men are subject to that observation. The Senator makes the mistake of generalizing as to the entire Naval Reserve, mixing up the different classes and assuming that they are all subject to the charge which he has just made of receiving pay without rendering any service, which is not the case.

Mr. KING. I do not mix them up. Those who are embraced within the first appropriation found on page 13, unless those who will be paid out of the \$1,000,000 which has been added may be excepted, will be required to do certain drill work and give 15 days' service during the year upon the sea; but my contention is that as to the last appropriation of \$5,700,000 nothing is required to be done either by the officers or the men in order to avail themselves of the very liberal appropriation.

Mr. POINDEXTER. Why does the Senator keep on repeating that statement? He says that that is the case, and I say it is not the case. Both of our statements will have to be subject to anybody's correction who has any better information.

Mr. KING. Undoubtedly. The Senator is entitled to his views and has received certain information, and I am entitled to my views based upon information which I have received, and I assert again that the information which I have received justifies the statement that substantially all of the \$5,700,000 appropriation will be applied as a sort of pension to officers and men neither of whom will be required, in order to draw the pension, to render any service whatever, except in the event of war, in which case they would then take the status that would be occupied by the officers and men of the Navy who were admittedly within the service.

The PRESIDING OFFICER (Mr. TOWNSEND in the chair). The bill is before the Senate as in Committee of the Whole and open to further amendment.

Mr. POINDEXTER. Mr. President, there are a few committee amendments which it is desired to offer for the purpose of clarifying the language of the bill. The amendments have been suggested by the Comptroller General. On page 3, line 15, after the word "mileage," I move to insert the words "and

actual and necessary expenses and per diem in lieu of subsistence as authorized by law."

Mr. KING. Will that amendment change the amount of the appropriation, may I ask the Senator?

Mr. POINDEXTER. It will not; it will merely clarify the language.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. POINDEXTER. On page 3, beginning in line 16, I move to strike out the words "in the United States, and for actual personal expenses of officers of the Navy and Naval Reserve Force while traveling abroad under orders."

Mr. MCKELLAR. Mr. President, may I ask the Senator if any of the appropriations in this bill may be expended for transporting officers or supplies of the Navy on foreign vessels?

Mr. POINDEXTER. I presume where it is necessary to use foreign vessels for transporting supplies, that is done.

Mr. MCKELLAR. I ask the question because the Senator will recall that we had the matter under discussion a few days ago in connection with the ship subsidy bill, when it was disclosed that a very large sum was annually paid out by the Government to cover the traveling expenses of officers and employees of the Government on foreign vessels. In the bill making appropriations for the Diplomatic and Consular Service an amendment was added providing that no part of the appropriations in the bill should be paid for the traveling expenses on foreign vessels of officers and agents of the department.

Mr. POINDEXTER. I may say to the Senator that in almost every case naval vessels are used for the transportation of naval supplies and for the transportation of naval officers and men. The travel pay in the provision now under discussion is for travel on land and not on the sea.

Mr. MCKELLAR. I have not been able to ascertain just where an amendment should be inserted limiting the appropriation for travel pay to transportation on American vessels. If I knew where such an amendment should be placed, I certainly would offer it. I understand that there is very little travel by officers or men of the Navy on foreign ships, but no naval officers ought to be allowed to travel at Government expense on other than American ships.

Mr. POINDEXTER. In case an American ship is available, of course that is true.

Mr. MCKELLAR. Of course.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington on behalf of the committee.

The amendment was agreed to.

Mr. POINDEXTER. On page 10, line 19, I move to strike out the word "enrolled."

The amendment was agreed to.

Mr. KING. Does that change the status of anyone?

Mr. POINDEXTER. No; it does not. It merely makes the provision comply with existing law. I may repeat that all the amendments I am now offering are being offered on the initiative of the Comptroller General, who ultimately passes upon the effect of the language, and they are designed to meet his judgment as to making the provisions of the bill accord with existing law.

Mr. President, on page 29, line 7, after the word "pay," I move to insert the words "and allowances."

Mr. MCKELLAR. What will that amendment involve? Will it not be equivalent to additional compensation?

Mr. POINDEXTER. It does not change the amount at all.

Mr. MCKELLAR. It might change the amount considerably. The Senator will notice that the entire appropriation contained on lines 11 and 12 may be used for any purpose under the particular heading, and therefore the words proposed to be added might involve considerable additional pay and a considerable additional cost. All I want to know is what we are doing, so that we may vote intelligently.

Mr. POINDEXTER. Certain allowances for quarters have been granted to members of the Naval Reserve Force of class 1 under the Army and Navy and other commissioned officers' pay bill which passed Congress a short time ago. The amendment is to make the pending bill comply with the terms of that law.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Washington.

The amendment was agreed to.

Mr. POINDEXTER. On page 32, line 23, after the word "each," I move to insert the words "and for uniform gratuity to enrolled men of the Naval Reserve Force."

Mr. KING. Mr. President, before that amendment is acted upon I inquire whether its object is to extend the benefits of the act to other individuals or persons than those contemplated in the provisions now found in the bill?

Mr. POINDEXTER. No; the contrary is the case. The amendment is offered in order to make the provisions of the bill comply with the terms of the existing law.

Mr. KING. Is it designed to confine it to the terms of the provision itself now in the bill?

Mr. POINDEXTER. Yes.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Washington.

The amendment was agreed to.

Mr. POINDEXTER. To correct an obvious clerical error I move, on page 46, line 18, after the word "active," to insert the word "list."

The amendment was agreed to.

Mr. POINDEXTER. On page 46, line 19, after the word "pay," I move to insert the words "including uniform gratuity as authorized by law."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. POINDEXTER. This is the last amendment I have to offer, Mr. President: On page 47, line 23, after the word "mileage," I move to insert the following:

and actual and necessary expenses and per diem in lieu of subsistence as authorized by law.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MCKELLAR. Mr. President, I have not an amendment prepared, but I want to suggest to the acting chairman of the committee that right after the figures "\$125,000" there should be a proviso that this appropriation is made for travel pay for officers when traveling abroad on American ships only, unless a certificate is furnished by the Secretary of the Navy showing that the use of another ship is necessary.

Mr. POINDEXTER. This is only land travel. There is no mileage allowance for travel at sea. Marine officers always travel on naval vessels or else on Army transports. I am in entire sympathy with the Senator's object.

Mr. MCKELLAR. Of course this appropriation would cover travel for officers anywhere. My information is that naval officers sent to any part of the world as observers usually select foreign vessels on which to travel; and it seems to me that the American Government ought to insist that its officers, no matter what department they are in, should travel on American vessels wherever they can be had.

Mr. POINDEXTER. I agree with the Senator; but the effect of any such amendment would be to change existing law, and it would not be germane or appropriate at this point.

Mr. MCKELLAR. Oh, yes; a limitation on an appropriation is always in order. It would not change existing law at all. There is no existing law requiring naval officers, or officers of any other department, to travel on foreign vessels. We just got into the habit, and we are spending very large sums of money for the purpose. The report presented here the other day showed that our officers uniformly selected vessels of other nations on which to travel abroad; and it seems to me that that would be the appropriate place to insert the amendment, right after the figures "\$125,000." If the Senator will just let that pass for a moment, if he has anything else, I will prepare an amendment which I will offer.

Mr. POINDEXTER. There is nothing more that I know of.

Mr. MCKELLAR. Then, Mr. President, I offer the following amendment:

On line 24, page 47, strike out the period after "\$125,000" and insert a colon and the following:

*Provided*, That no part of this appropriation shall be expended as travel pay for officers traveling abroad on foreign vessels, unless the necessity for such travel is duly certified by the Secretary of the Navy.

I hope the Senator will not object to that amendment.

Mr. HALE. Mr. President, I should like to call the Senator's attention to the fact that this applies simply to the Marine Corps.

Mr. MCKELLAR. I should like to have it apply not only to the Marine Corps but to the entire Navy.

Mr. POINDEXTER. Mr. President, while I think what the Senator proposes is the law now and I do not think it is necessary at all—of course, there is no travel allowed, certainly ostensibly at least, that is not necessary and approved by the department—in order to dispose of the matter, I will accept per-

sonally, as far as I am concerned, the amendment proposed by the Senator.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Tennessee.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

#### ADJOURNMENT OVER NEW YEAR'S DAY.

Mr. CURTIS. I ask unanimous consent that when the Senate adjourns to-day, it adjourn to meet on Wednesday next at 12 o'clock.

The VICE PRESIDENT. Is there objection? The Chair hears none.

#### THE RULES OF THE SENATE.

Mr. JONES of Washington. Mr. President, I desire to state that some time during the morning hour on Wednesday I shall ask unanimous consent to call up and have passed the resolution that is on the table, that I introduced, providing for a special committee to investigate and report upon a revision of the Rules of the Senate.

Now, Mr. President, I ask that House bill 12817, the unfinished business, may be laid before the Senate.

#### THE MERCHANT MARINE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

#### EXECUTIVE SESSION.

Mr. JONES of Washington. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 3 o'clock and 42 minutes p. m.) the Senate, under the order previously made, adjourned until Wednesday, January 3, 1923, at 12 o'clock meridian.

#### NOMINATIONS.

*Executive nominations received by the Senate December 30 (legislative day of December 27), 1922.*

##### UNITED STATES DISTRICT JUDGES.

William N. Rubyon, of New Jersey, to be United States district judge, district of New Jersey (an additional position created by the act approved September 14, 1922).

William H. Atwell, of Texas, to be United States district judge, northern district of Texas (an additional position created by the act approved September 14, 1922).

##### UNITED STATES ATTORNEY.

John S. Coke, of Oregon, to be United States attorney, district of Oregon, vice Lester W. Humphreys, resigned.

##### UNITED STATES COAST GUARD.

Lieut. (Junior Grade) Wilfred N. Derby, to be a lieutenant in the Coast Guard of the United States, to rank as such from September 1, 1922, in place of Lieut. Hiram B. Searles, promoted. This officer has passed the examination required by law.

#### PROMOTIONS AND APPOINTMENTS IN THE NAVY.

##### MARINE CORPS.

Capt. Henry M. Butler to be a major in the Marine Corps from the 4th day of June, 1920.

The following named noncommissioned officers in the Marine Corps to be second lieutenants in the Marine Corps, for a probationary period of two years, from the 23d day of December, 1922:

Corpl. Evans F. Carlson.

Q. M. Sergt. Clifton L. Marshall.

Corpl. Gregon A. Williams.

##### POSTMASTERS.

##### ALASKA.

Martin J. Martin to be postmaster at Nenana, Alaska, in place of Laura Williams, resigned.

##### ARIZONA.

Lannes L. Ferrall to be postmaster at Grand Canyon, Ariz., in place of L. L. Ferrall, resigned.

Warren F. Day to be postmaster at Prescott, Ariz., in place of A. J. Herndon. Incumbent's commission expired September 5, 1922.

##### ARKANSAS.

Leon E. Tennyson to be postmaster at Arkadelphia, Ark., in place of S. R. Carpenter. Incumbent's commission expired September 23, 1922.

##### CALIFORNIA.

Mabel A. Head to be postmaster at Garden Grove, Calif., in place of F. C. Thompson. Incumbent's commission expired September 5, 1922.

William Vaughn to be postmaster at Oilfields, Calif., in place of William Gilford, resigned.

Harlan J. Woodward to be postmaster at Ramona, Calif., in place of H. J. Woodward. Incumbent's commission expired November 21, 1922.

##### COLORADO.

Earl E. Ewing to be postmaster at Colorado Springs, Colo., in place of O. W. Ward. Incumbent's commission expired September 5, 1922.

William D. Asbury to be postmaster at Montrose, Colo., in place of A. F. Reeves. Incumbent's commission expired September 5, 1922.

Ira R. Wood to be postmaster at Ramah, Colo., in place of R. C. Dazey. Office became third class April 1, 1921.

##### FLORIDA.

Benjamin F. Hargis to be postmaster at Umatilla, Florida, in place of F. H. Price. Incumbent's commission expired April 6, 1922.

##### GEORGIA.

William A. Sheats to be postmaster at Monroe, Georgia, in place of W. A. Sheats. Incumbent's commission expired September 28, 1922.

Louise F. Hays to be postmaster at Montezuma, Ga., in place of J. T. Stilwell. Incumbent's commission expired September 28, 1922.

##### IDAHO.

Louis W. Thraillkill to be postmaster at Boise, Idaho, in place of P. M. Davis. Incumbent's commission expired September 5, 1922.

Guy I. Towle to be postmaster at Jerome, Idaho, in place of Thomas Jaycox. Incumbent's commission expired September 5, 1922.

##### ILLINOIS.

James H. Truesdale to be postmaster at Bunker Hill, Ill., in place of M. M. Brown. Incumbent's commission expired February 4, 1922.

John J. Stowe to be postmaster at Girard, Ill., in place of F. B. Bock. Incumbent's commission expired October 24, 1922.

Burr H. Swan to be postmaster at Pittsfield, Ill., in place of W. C. Bush, jr., removed.

##### INDIANA.

Herman E. Goodwin to be postmaster at Clinton, Ind., in place of J. R. Paine. Incumbent's commission expired September 5, 1922.

Harvey H. Galloway to be postmaster at Cromwell, Ind., in place of R. E. Maggert, resigned.

Charlie W. Elliott to be postmaster at Middlebury, Ind., in place of W. H. Shultz. Incumbent's commission expired September 5, 1922.

##### KANSAS.

David W. Nail to be postmaster at Herington, Kans., in place of Lee Bledsoe, resigned.

##### LOUISIANA.

Herman M. Foster to be postmaster at Cedar Grove, La., in place of J. C. Umbarger, resigned.

Alexander E. Harding to be postmaster at Slidell, La., in place of P. J. Gardere, removed.

Louis Hebert to be postmaster at White Castle, La., in place of Louis Hebert. Incumbent's commission expired September 5, 1922.

##### MARYLAND.

George M. Evans to be postmaster at Elkton, Md., in place of O. C. Giles. Incumbent's commission expired September 5, 1922.

Jacob C. Hemmons to be postmaster at Ridgely, Md., in place of R. E. Smith. Incumbent's commission expired September 5, 1922.

Hobart B. Noll to be postmaster at Woodstock, Md., in place of Margarete Harrington. Office became third class January 1, 1921.

## MASSACHUSETTS.

William Stockwell to be postmaster at Maynard, Mass., in place of A. J. Coughlin, deceased.  
Merton Z. Woodward to be postmaster at Shelburne Falls, Mass., in place of M. Z. Woodward. Incumbent's commission expired October 1, 1922.

## MICHIGAN.

Adam B. Greenawalt to be postmaster at Cassopolis, Mich., in place of G. H. Kimmerle. Incumbent's commission expired September 13, 1922.

George W. Weaver to be postmaster at Charlevoix, Mich., in place of T. G. Finucan. Incumbent's commission expired September 13, 1922.

## MISSISSIPPI.

Thomas C. Kite to be postmaster at Weir, Miss., in place of T. H. Tabor, deceased.

## MISSOURI.

William E. Hodgkin to be postmaster at Mattland, Mo., in place of Lafayette Dawson. Incumbent's commission expired September 5, 1922.

Frank A. Stiles to be postmaster at Rockport, Mo., in place of A. B. Bertram. Incumbent's commission expired September 5, 1922.

## MONTANA.

Robert H. Michaels to be postmaster at Miles City, Mont., in place of Thomas Gibb. Incumbent's commission expired September 13, 1922.

## NEW YORK.

John R. Baldwin to be postmaster at Livingston Manor, N. Y., in place of W. J. White. Incumbent's commission expired November 15, 1922.

Franklin H. Sheldon to be postmaster at Middleport, N. Y., in place of T. P. Hammond, resigned.

Harry T. Nowlan to be postmaster at Newark Valley, N. Y., in place of A. H. Graham. Incumbent's commission expired September 19, 1922.

John M. Gray to be postmaster at North Rose, N. Y., in place of O. A. Skutt. Incumbent's commission expired September 28, 1922.

Harry Pottenburgh to be postmaster at Rhinebeck, N. Y., in place of L. V. Vredenburg. Incumbent's commission expired November 21, 1922.

Fred Hahn to be postmaster at Tonawanda, N. Y., in place of E. F. Dougherty. Incumbent's commission expired October 24, 1922.

## NORTH DAKOTA.

J. Dexter-Pierce to be postmaster at Larimore, N. Dak., in place of Thomas Regan. Incumbent's commission expired September 5, 1922.

David L. Rourke to be postmaster at Osnabrock, N. Dak., in place of W. J. Storie, resigned.

## OHIO.

William C. Parks to be postmaster at Cadiz, Ohio, in place of J. M. Francis. Incumbent's commission expired September 19, 1922.

Warren E. Smiley to be postmaster at Cardington, Ohio, in place of H. N. Steger. Incumbent's commission expired September 19, 1922.

Howard B. Kurtz to be postmaster at Conneaut, Ohio, in place of R. J. Baxter. Incumbent's commission expired September 19, 1922.

Roy Heap to be postmaster at St. Marys, Ohio, in place of C. L. Hunter. Incumbent's commission expired September 19, 1922.

## PENNSYLVANIA.

Harry M. Bowman to be postmaster at Annville, Pa., in place of H. M. Bowman. Incumbent's commission expired September 13, 1922.

Ben G. Swick to be postmaster at Ellwood City, Pa., in place of B. N. DeFrance, removed.

Ira B. Jones to be postmaster at Minersville, Pa., in place of Frank Snyder. Incumbent's commission expired September 26, 1922.

## SOUTH DAKOTA.

Solomon Hoy to be postmaster at Fort Pierre, S. Dak., in place of Patrick Holland. Incumbent's commission expired September 11, 1922.

## TENNESSEE.

Frances S. Pickering to be postmaster at Carthage, Tenn., in place of F. P. McGinness, resigned.

## TEXAS.

Emma L. Willke to be postmaster at Boerne, Tex., in place of E. L. Willke. Incumbent's commission expired September 5, 1922.

John A. Weyand to be postmaster at Carmine, Tex., in place of J. A. Weyand. Office became third class July 1, 1922.

Oscar O. Ashenbust to be postmaster at Lorena, Tex., in place of W. R. McAdams. Incumbent's commission expired September 5, 1922.

Robert H. Rhodes to be postmaster at Waelder, Tex., in place of Mary Foster. Incumbent's commission expired September 5, 1922.

## UTAH.

George M. Jones to be postmaster at Richfield, Utah, in place of W. W. Morrison. Incumbent's commission expired September 5, 1922.

## WEST VIRGINIA.

Curtis K. Stem to be postmaster at Weirton, W. Va., in place of W. S. Bambrick. Incumbent's commission expired July 25, 1920.

## WISCONSIN.

William W. Winchester to be postmaster at Amery, Wis., in place of H. J. Kinne. Incumbent's commission expired September 5, 1922.

## CONFIRMATIONS.

*Executive nominations confirmed by the Senate December 30 (legislative day of December 27), 1922.*

## POSTMASTERS.

## CONNECTICUT.

William J. Reel, Canaan.  
Carrie A. Bush, Watertown.

## FLORIDA.

William A. Parker, Carbur.  
Edgar D. Hogan, Loughman.  
Harold J. Engel, New Valparaiso.  
Maxfield Sellers, White Springs.

## INDIANA.

Willard G. Minard, Bourbon.  
Lester L. Wildman, Dupont.  
Phineas O. Small, Laporte.  
Odin R. Smith, Martinsville.  
James S. Wright, Vevay.

## IOWA.

William G. Wood, Albia.  
Elmer G. Warrington, Keota.  
Raymond S. Blair, Parkersburg.  
Gabriel L. Archer, St. Charles.

## KENTUCKY.

Robert B. Beadles, Fulton.  
Lewis A. McCoy, Owingsville.  
William E. Jones, Princeton.

## OHIO.

Alonzo Keeton, Excello.  
Albert W. Griswold, Georgetown.  
Jesse L. Bales, Jackson.  
Henry H. Harvey, Kenton.  
James Azallion, Laferty.  
Hosea M. Thompson, Ostrander.  
Gurth W. Repp, Pioneer.  
Mayme Pemberton, Roseville.  
Elsie M. Smith, Sharonville.  
Duane G. Keener, West Salem.

## UTAH.

Lydia R. Shaw, Huntington.

## VIRGINIA.

John N. Coffman, Edinburg.  
William S. Sparrow, Onley.

## WEST VIRGINIA.

Edward J. Jenkins, Manbar.  
Joseph P. Dawson, Widen.

## WYOMING.

Percy G. Matthews, Evanston.

HOUSE OF REPRESENTATIVES.

SATURDAY, December 30, 1922.

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We praise Thee, Almighty God, in the name of Him whose holy hand touched the foreheads of little children, the shadow of whose presence was a blessing to the outcasts and who is ever seeking to enfold in His teaching the sympathies of all men. Linger with us in the mercy of Thy holy providence. We are grateful that no lasting calamity has befallen our national household. Over us has been the banner of divine care, and around about us have been the arms that never fall. Blessed Lord, as the volume of the old year is closing, mellow the thoughts of error and failure. O, may all embittering memories die as the door closes. Enable us to expel from our lives all sordid aims and carry forth into the future the sweetest hopes and the best ambitions. Let the sound of war and strife soon die out of the world's sky. Give us vision to see the best struggling through the worst and may we move forward with a great faith that God is more than equal to any crisis. Lead us on—up the hills of time, and in some hour of triumph we shall see the mists lifted, the clouds rolled away, and behold the full glory of our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

SECOND DEFICIENCY APPROPRIATION BILL, FISCAL YEAR 1923.

Mr. MADDEN. Mr. Speaker, I present a privileged report from the Committee on Appropriations.

The SPEAKER. The gentleman from Illinois presents a privileged report from the Committee on Appropriations on a bill which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 13615) making appropriations to supply deficiencies in appropriations for the fiscal year 1923, and prior fiscal years, and to provide supplemental appropriations for the fiscal year 1923, and for other purposes.

Mr. BLANTON. If no one else does, I reserve all points of order.

The SPEAKER. The gentleman from Texas reserves all points of order. Referred to the Committee of the Whole House on the state of the Union and ordered printed.

LEAVE TO SIT DURING SESSIONS OF THE HOUSE.

Mr. GREENE of Massachusetts. Mr. Speaker, I ask unanimous consent that the Committee on the Merchant Marine and Fisheries may sit during the sessions of the House.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent that the Committee on the Merchant Marine and Fisheries may sit during the sessions of the House. Is there objection? [After a pause.] The Chair hears none.

EXTENSION OF REMARKS.

Mr. RAKER. Mr. Speaker, pending consideration of the agricultural bill the question was asked me by Mr. SNELL, of New York, relative to the appropriations by the States and municipalities for the control and eradication of rodents and for the extermination of predatory animals. I have that statement, and I ask unanimous consent to insert it in the Record.

The SPEAKER. The gentleman from California asks unanimous consent to extend his remarks for the purpose indicated. Is there objection? [After a pause.] The Chair hears none.

The statement is as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,  
BUREAU OF BIOLOGICAL SURVEY,  
Washington, D. C., December 29, 1922.

Hon. JOHN E. RAKER,  
House of Representatives.

DEAR MR. RAKER: Replying to your letter of December 26 in regard to cooperative funds, and agreeable to telephone conversation on the subject, there is inclosed a statement showing the cooperative funds contributed by each State in which we are working as well as the sources from which the funds are derived.

This statement covers the funds for the control and eradication of rodents and for the extermination of predatory animals. The amounts shown under the column "State" indicate that those sums are specifically appropriated; under "Counties," that counties within the State contribute that amount; and under "Other sources," amounts from individuals, live-stock and other organizations.

If additional information is needed in regard to our work, please do not hesitate to call upon us.

Very truly yours,

W. C. HENDERSON,  
Acting Chief of Bureau.

Preliminary report on cooperative funds available for expenditure for rodent and predatory animal work for the fiscal year 1923.

States	Rodent work.				Predatory work.			
	State.	Counties.	Other sources.	Total.	State.	Counties.	Other sources.	Total.
Arkansas.....	0	0	0	0	\$1,500	0	0	\$1,500
Arizona.....	\$15,000	\$700	0	\$15,700	15,000	0	0	15,000
California.....	14,000	400,000	\$660	414,660	35,000	\$10,000	\$1,000	46,000
Colorado.....	5,000	10,000	2,000	17,000	12,500	Unknown.	Unknown.	12,500
Idaho.....	20,000	38,000	30,000	88,000	None.	None.	Unknown.	0
Kansas.....	1,000	4,500	0	5,500	No work.	No work.	No work.	0
Michigan.....	No work.	No work.	No work.	No work.	30,000	0	0	30,000
Montana.....	8,000	21,450	11,000	40,450	14,000	0	120	14,120
Nebraska.....	0	0	0	0	No work.	No work.	No work.	0
Nevada.....	3,000	1,500	Unknown.	4,500	11,222	13,250	0	24,472
New Mexico.....	25,000	None.	7,000	32,000	25,000	0	8,500	33,500
North Dakota.....	0	50,000	2,000	52,000	No work.	No work.	No work.	0
Oklahoma.....	0	4,000	3,000	7,000	0	0	0	0
Oregon.....	3,750	20,000	1,500	25,250	7,500	3,820	55,910	67,230
South Dakota.....	5,000	20,000	5,000	30,000	0	0	0	0
Texas.....	0	0	3,000	3,000	0	0	10,000	10,000
Utah.....	3,000	2,182	200	5,382	20,000	0	200	20,200
Washington.....	None.	10,900	500	11,400	8,500	4,470	1,500	14,470
Wyoming.....	0	0	0	0	15,000	2,000	2,000	19,000
Total.....	102,750	583,232	65,860	751,842	195,222	33,540	79,230	307,992
Rodent.....								\$751,842
Predatory.....								307,992
Total.....								1,059,834

SAN FRANCISCO, CALIF., December 29, 1922.

Hon. JOHN E. RAKER,  
House Office Building, Washington:

Have heard congressional subcommittee Agricultural appropriations not recommending any increase predatory animal control work in California. Two-thirds land in California under supervision Federal Government national parks. Forests where coyotes breed, predatory animals driving many sheepmen out of business. Must have relief. Urge you make fight immediately to increase appropriation. California Farm Bureau, cattlemen, and woolgrowers united in asking increase in appropriation.

CALIFORNIA WOOLGROWERS' ASSOCIATION.

POST OFFICE APPROPRIATION BILL.

Mr. SLEMP. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13593, and pending that motion I ask unanimous consent that general de-

bate—how much time does the gentleman from Colorado desire? We have very few requests on this side.

Mr. TAYLOR of Colorado. I have had requests at the present time for 75 minutes. I would like to have about an hour and a half if I can.

Mr. SLEMP. I am wondering if the gentleman can not get along with an hour. We can do our work on this side in that time.

Mr. TAYLOR of Colorado. Possibly the gentleman can give some time on that side.

Mr. DOWELL. Is it the intention of the gentleman to pass the bill to-day, if possible?

Mr. SLEMP. If possible up to the final vote.

Mr. DOWELL. It certainly can not be possible if there is two hours taken in general debate.

Mr. SLEMP. We will have an hour on a side; that is about as little as possible. This is a large bill.

Mr. DOWELL. The length of time in general debate will control the question of whether the bill is completed to-day, and if two hours of time in general debate is taken up I doubt if it can.

Mr. TAYLOR of Colorado. We will try to get along with an hour if the gentleman will be liberal under the five-minute rule.

Mr. CARTER. Mr. Speaker, reserving the right to object, it is possible I might want 20 minutes under general debate, and the gentleman from Colorado says he is unable to provide only about 10 minutes.

Mr. SLEMP. I think I can give the gentleman 10 minutes.

The SPEAKER. The gentleman from Virginia asks unanimous consent that general debate be limited to two hours, one-half to be controlled by himself and one-half by the gentleman from Colorado [Mr. TAYLOR]. Is there objection? [After a pause.] The Chair hears none.

The question is on the motion of the gentleman to go into the Committee of the Whole House on the state of the Union.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13593, the Post Office appropriation bill, with Mr. GRAHAM of Illinois in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13593, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes.

Mr. SLEMP. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that the first reading of the bill be dispensed with. Is there objection? [After a pause.] The Chair hears none.

Mr. SLEMP. Mr. Chairman, the Post Office appropriation bill is the largest bill presented to Congress. This year it carries an appropriation of over \$584,000,000, an increase of \$20,000,000 plus over the appropriation for 1923. This increase would be a little less than 4 per cent. It is estimated, however, that the increase in postal receipts of 1924 over 1923 would be about 9 per cent.

Mr. OLDFIELD. Will the gentleman yield for a question?

Mr. SLEMP. I will.

Mr. OLDFIELD. I noticed some days ago in the press that General Dawes, formerly Budget Director, made certain statements about the Post Office management in that department.

He stated in substance that the Post Office Department did not know what a balance sheet was, and he went on to state that in the fiscal year 1920-21 the deficit of the Post Office Department was \$157,000,000, and in the fiscal year 1921-22 it was \$60,000,000. Speaking for myself, I know I have never heard on the floor of the House, here or elsewhere, that there has been any such deficit in the Post Office Department as \$157,000,000. I am sure the gentleman from Virginia knows about the Post Office Department, and if General Dawes makes a correct statement the country ought to know it, and if he does not make a correct statement the House and the country ought to know that.

Mr. SLEMP. I will say in response to the statement of the gentleman from Arkansas that in the reclassification act of 1920 Congress added a considerable sum of money to the expenses of the Post Office Department. The Interstate Commerce Commission rendered its decision giving higher rates to the railroads, and \$157,000,000 was the deficit for that particular year. Of that it is estimated that about \$76,000,000 was due to the acts of Congress so passed, and were for previous years to the year in which the deficit was referred to, leaving about \$80,000,000 net deficit between the postal expenditures and the postal receipts. The following year the Post Office Department ran its business without any increase in expense at all, but the receipts went up \$20,000,000, and therefore the deficit for the succeeding year was \$60,000,000. That was for the last fiscal year, ending June 30, 1922. This fiscal year the department is running almost on the same basis as last year, and the increase in receipts over expenditures ought to allow a further cut of \$30,000,000 in the operation of the Post Office Department.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. SLEMP. Yes.

Mr. GARNER. The gentleman makes a rather peculiar statement. I do not understand it exactly. He says that there

was a \$157,000,000 deficit in 1920-21, but that in reality there was only \$80,000,000 actual deficit. Now, he says in the next year the Post Office Department was running without any additional expense and cut down \$20,000,000. Does he mean that there was a \$137,000,000 deficit?

Mr. SLEMP. I was explaining that that has all been absorbed, and the \$70,000,000 and odd referred to was covered by the acts of Congress that I referred to.

Now, going on with the statement, the deficit of last year, ending June 30, 1922, was \$60,000,000. It is expected that this year the receipts will have grown so that the deficit will, perhaps, be only \$30,000,000 or \$31,000,000, and that next year they ought, perhaps, to break even.

That is the record of the Post Office Department. Now, as to the balance sheet that the gentleman from Arkansas referred to—

Mr. OLDFIELD. One more question, if the gentleman will permit. Does the gentleman agree with Mr. Dawes that there was an actual deficit?

Mr. SLEMP. Those were the statements of the Postmaster General in the annual report in each succeeding year, and those have been published for several months and years back.

Mr. OLDFIELD. What about the criticism of General Dawes in regard to the bookkeeping of the Post Office Department?

Mr. SLEMP. Well, I will say in regard to that that I have not found the statement myself, and the Post Office Department does not seem to be able to find the statement to which the gentleman refers; but there has been a general overhauling of the accounting system of the Post Office Department. A good deal of the work is being done in the various States. Some of it is being done here, and a lot of it has been transferred to the General Comptroller's office with very much better, up-to-date results. It is not quite possible to gather a monthly balance sheet. It is very nearly possible to gather a quarterly balance sheet.

Mr. OLDFIELD. Did General Dawes when he was Director of the Budget advise the committee or the Post Office Department, to the gentleman's knowledge, as to how the books should be kept and how the balance sheet should be prepared?

Mr. SLEMP. I will say that the Director of the Budget at that time did not appear before the committee that framed the Post Office appropriation bill last year; neither did he come before the committee this year; and, so far as I know, the director last year had very little to do with working up the details of the Post Office appropriation bill. It was understood that the gentleman was here rather representing both the Post Office Department and the Budget and the Otis Elevator Co.; but he did not spend a great deal of time in the Post Office Department, however, and after the committee got through its investigation the committee recommended a cut of \$27,000,000 in the recommendations of the Budget last year for the Post Office Department. That was increased a little in the Senate. As a result it is proposed to run the department on about \$15,000,000 less than the Budget estimate.

Mr. MADDEN. I wish to say this, that the deficiency in the appropriation bill for 1922 indicates \$62,000,000. The first quarter—and that is the quarter to which General Dawes referred—indicated \$16,000,000; and that would not be more than the quarterly proportion of the \$62,000,000 if it were distributed for the full year, so that there was nothing irregular about it.

Mr. OLDFIELD. Then it seems that General Dawes was substantially correct in his statement?

Mr. MADDEN. There is no question about there being a \$16,000,000 deficit for the first quarter.

Mr. OLDFIELD. It seems to me that the department might take General Dawes's advice about the bookkeeping, and go on and straighten this thing out, so that there would be no criticism about it.

Mr. MADDEN. Under the Budget law, I will say to the gentleman from Arkansas, all the bookkeeping of the Post Office Department, except the mere departmental audit, has been transferred to the General Accounting Office.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. BANKHEAD. Is it anticipated that there will continue to be a quarterly deficit during the next fiscal year of anything approximating \$62,000,000?

Mr. MADDEN. It is estimated that the present fiscal year will show \$31,000,000 instead of \$62,000,000, and in the next fiscal year it is expected they will come out even, or have a million dollars surplus.

Mr. LAYTON. Mr. Chairman, will the gentleman yield?

Mr. SLEMP. Yes.

Mr. LAYTON. If I understand the gentleman's statement, it means about this, that Congress itself is responsible for this increase?

Mr. SLEMP. Yes. It is expected, however, that the increase for 1924 over 1923 will be about 9 per cent. If this hope be realized, there would be a net clear gain or profit in the operation of the Postal Service of about 5 per cent, which applied to \$533,000,000, the postal revenues of 1923, would amount to approximately \$25,000,000. As the difference between receipts and expenditures for 1923 is estimated to be only \$31,000,000, this gain of \$25,000,000 if realized would enable the department almost to run on a self-sustaining basis in 1924. This has been one of the great objects of the Post Office Department officials, the other being to give good and constantly better service. It can positively be said that these two ends are being accomplished by the present Postmaster General and his able assistants.

I doubt if any department of the Government at any time has been served by the same efficiency and devotion to the work as is now the case with the present Post Office Department. How fortunate they are to have men as assistants who can command higher salaries elsewhere and who only occupy their present positions through pure love of service. The first assistant, formerly executive of a great Commonwealth, an eminent lawyer, finds himself engrossed with the details of a great department and unselfishly and devotedly gives his time practically free to the Government. The fine showing of the department is due to the extraordinary activity and cooperation of the officials, and they are entitled to the thanks of Congress and the country.

The actual accomplishment of the department officials is shown not only by better service but by the constantly diminishing deficit. A deficit of \$81,000,000 in 1921, \$61,000,000 in 1922, \$30,000,000 in 1923, and break even in 1924, would be an accomplishment unparalleled in the history of the Postal Service, and yet there is every probability that this will be realized. In this connection, permit me to say that the amount recommended to be appropriated this year provides for every activity of the Postal Service and for every employee now connected with it. It provides for increases in the clerks' force, in the clerks' auxiliary force, in the letter-carrier force, in the substitute letter-carrier force, in the Rural Free Delivery Service, in the railway mail pay and service, in the increasing foreign mail, all to meet the remarkable growth in the postal business.

An estimate by months, increase of 1923 over 1922:

	Per cent.
July (increase)-----	11.02
August (increase)-----	10.80
September-----	11.55
October-----	14.34
November-----	13.79
Total (gain)-----	12.30

December, probably \$20,000 for 50 largest offices.

Thirteen and fifty-nine one-hundredths per cent increase for these 50 offices. It is hoped that this large increase in business will be absorbed this fiscal year without any increase in appropriation of 1923 over 1922, and the future increase in business in 1924 of 9 per cent to be taken care of by an increase of 4 per cent in expenditures. It is impossible for me to describe the activities of the Post Office Department, nor the marvelous field of its operation. It enters every home, is related to every activity, and is the greatest contributor to education and advancing civilization.

In the bill there are only 82 items, 64 of which are unchanged from the estimate, 17 of which are reduced, and 1 alone increased. Total reduction is \$5,552,000, and this is less than 1 per cent. The committee therefore agrees with the department, more than 99 per cent out of a possible 100 per cent. The small cuts made are the free judgment of the subcommittee in charge of the bill after careful reflection and extensive hearings.

Now, in regard to the bill itself, I should like to say to the committee that the Post Office Department here in Washington under the Postmaster General is proposed to be run next year on \$60,000 less than this year, and in addition to that to absorb the payment of the salary of the solicitor, formerly paid by the Department of Justice.

There is no change recommended in the First, Second, or Fourth Assistant Postmaster General's offices. The Postal Savings is transferred from the Postmaster General to the Third Assistant. There is a very slight increase in the department service, of \$7,000, due to the increased price of coal. Outside of that, there is no change in the department.

In regard to the field service, the First Assistant asked for an increase of \$14,000,000 and the committee have recommended

an increase of \$11,000,000, an increase in his appropriation of about 4 per cent. The reductions recommended were in clerk hire and in rent of buildings largely and a slight reduction cutting down the overtime of letter carriers, but still leaving a very substantial increase in the amount carried over this year.

Mr. CHINDBLOM. With reference to the rent of buildings, does the committee actually believe it is possible to reduce the rental of buildings at this time?

Mr. SLEMP. There is no provision for a reduction in the rent of buildings. The appropriation carried this year is \$11,750,000, and that will rent all the buildings in the country that we used for post-office purposes throughout this fiscal year.

Mr. CHINDBLOM. I understood the gentleman to say that there was a reduction.

Mr. SLEMP. A reduction from the estimates but an increase over the amount carried this year.

Mr. CHINDBLOM. What is the increase?

Mr. SLEMP. It is one million two hundred thousand and some odd dollars, an increase of more than 10 per cent.

Mr. CHINDBLOM. Many of the leases that are expiring are 10-year leases?

Mr. SLEMP. Yes.

Mr. CHINDBLOM. Of course, you can not begin to renew the leases for the same rental now.

Mr. SLEMP. There are 510 of these leases expiring next year, and it is estimated that renewal contracts can be had at 100 per cent increase. That is the testimony of the Post Office Department, that they will need that increase, and that is what we are providing for.

Mr. CHINDBLOM. One further question, with reference to carriers. In Chicago, in the thickly settled territory, in residence and business districts, deliveries have been reduced to two a day. When I was home last fall I had to leave my home at 8.10 in the morning to get a train down town, and up to that moment there was no delivery of mail. I never got any mail until I got home at night. The department heads said that was because of lack of appropriations; that they were compelled to reduce deliveries in populous cities to two a day.

Mr. SLEMP. I will say to the gentleman, so far as that is concerned, that there are 462 vacancies now in carriers' positions already appropriated for by Congress, which the department could use if it desired this fiscal year.

Mr. CHINDBLOM. Four hundred and sixty-two carriers will not go very far.

Mr. SLEMP. I know; but they have not used them up to date, and we are providing next year for everyone that the Post Office Department requests.

Mr. CHINDBLOM. For every carrier requested by the department?

Mr. SLEMP. Yes.

Mr. MADDEN. Will the gentleman yield to me for a minute there?

Mr. SLEMP. Yes.

Mr. MADDEN. I want to say to my colleague [Mr. CHINDBLOM] that we provided in the bill for the current fiscal year for an increase of 1,400 carriers. Four hundred and eighty-two of those have not been appointed. We are providing for 1,400 additional carriers for the coming fiscal year, which, added to the 482, would make 1,882 more than are employed at present, so it is not the fault of the appropriation if there are not carriers enough.

Mr. CHINDBLOM. There must be some fault, then, in the distribution of the carriers.

Mr. MADDEN. We have nothing to do with that.

Mr. SLEMP. That is the fact as far as the appropriation is concerned.

Mr. DENISON. Will the gentleman yield for a question?

Mr. SLEMP. Yes.

Mr. DENISON. The gentleman made some statement about the amount appropriated for clerk hire, and I understood him to say that the committee had reduced the amount.

Mr. SLEMP. We made a reduction from the estimates.

Mr. DENISON. A reduction from the amount estimated for clerk hire?

Mr. SLEMP. Yes.

Mr. DENISON. Upon what theory is it supposed that we can get along now with less clerk hire than heretofore?

Mr. SLEMP. We do not.

Mr. DENISON. That is what I want to inquire about.

Mr. SLEMP. The appropriation last year was about \$101,000,000. That did not seem to be quite enough, and perhaps there will be a deficit in that this year. The department asked for \$108,000,000, an increase of about \$7,000,000 over this year's appropriation, and the committee recommended \$750,000 less than the estimate. That is to say, the committee recom-

mended one hundred and seven million and some odd thousands of dollars, an increase over this year's appropriation of a little over 6 per cent.

I will say to the gentleman that the Treasury Department called on the Post Office Department for clerks for the purpose of handling war savings stamps and Treasury certificates, causing an expense of about \$2,000,000, and that work will be largely relieved after January 1.

Mr. MADDEN. Let me state to my colleague [Mr. DENISON] that for the current fiscal year we provided for an increase of 2,600 clerks and they have appointed only 1,310. We are providing for 2,500 additional clerks for the coming year, which, added to the 1,290 who have not been appointed, will give 3,800, so it is not our fault if they are not appointed.

Mr. DENISON. The reason I asked the question is that in the district which I represent the greatest difficulty the Post Office Department has is in the inability to secure efficient clerks for the amount allowed.

Mr. MADDEN. The gentleman is talking about third-class post offices now?

Mr. DENISON. Yes; mainly.

Mr. MADDEN. The law fixes the limit of compensation. The law says the Postmaster General is authorized to employ clerks at \$600 or \$900 or \$1,200. One thousand two hundred dollars is the maximum.

Mr. DENISON. But in an emergency they may allow an additional amount. They are limited in the allowance of that by the amounts appropriated.

Mr. SLEMP. The committee allowed the full amount asked for for that.

Mr. DENISON. I have one post office in which the postmaster had to pay out every dollar of his salary for clerical help, and he had to go outside to make a living, and the inspector came down and recommended his removal for not giving his whole time to the office.

Mr. SLEMP. We provide every dollar for the increase that was asked. The Second Assistant Postmaster General's office—the service is left about the same. The Third Assistant's office—we have made a slight reduction from the estimate; and the Fourth Assistant's about the same, so that the bill as presented to the House carries \$5,000,000 more than recommended by the Post Office Department.

Mr. CHINDBLOM. Will the gentleman yield further?

Mr. SLEMP. Yes.

Mr. CHINDBLOM. Did I understand the gentleman to say that there is an increase of about 4 per cent in the appropriation for clerks and carriers?

Mr. SLEMP. More than that. The amount carried in the bill this year for clerks of the first and second class is \$101,000,000, and we are giving one hundred and seven million and some thousands of dollars, being an increase of about 6 per cent.

Mr. CHINDBLOM. There are increases in the number of carriers?

Mr. SLEMP. We give all the carriers that they request.

Mr. CHINDBLOM. What about the clerks?

Mr. SLEMP. There is an increase of about 6 per cent.

Mr. CHINDBLOM. That amounts to 2,500 clerks?

Mr. SLEMP. Yes. I will say to the gentleman that the department out of this year's appropriation still has 1,290 clerks, if they want to appoint them during the remainder of the year. They are managing to get the mail distributed and keeping the work up with the present force.

Mr. CHINDBLOM. They never have been able to do that before.

Mr. SLEMP. It has been done once, but there are many elements that enter into the cost so that no one can get the cost absolutely. The Post Office Department does a lot of work for the Treasury Department—about \$2,000,000. They do the airplane work, about \$2,000,000, and then we pay a subsidy to American vessels for carrying the mails, and all of that amounts to several million dollars a year that the accounting system might make it less.

Mr. BLANTON. Will the gentleman yield?

Mr. SLEMP. Yes.

Mr. BLANTON. I want to state that the new Republican postmaster for Sweetwater, Tex., Hon. M. B. Howard, patriotically remained in his post office all day last Sunday and all day Monday—Christmas—in order that all the people there could be served, and he promptly delivered every package and every letter that came in due time for the Christmas festivities. Is there another Republican postmaster in the Union that has as good a record?

Mr. CHINDBLOM. I will say that that was done right here in the city of Washington.

Mr. ROSENBLUM. It was done everywhere where there was a Republican postmaster. [Laughter.]

Mr. BLANTON. I doubt that, but Mr. M. B. Howard is such a splendid gentleman, and has the confidence, esteem, and appreciation of all patrons of his office, that I think his selection tends to equalize many Republican mistakes.

Mr. SLEMP. I thank the gentleman for the praise, but I would like to call attention to what happened in December.

Mr. RANKIN. Will the gentleman yield?

Mr. SLEMP. Yes.

Mr. RANKIN. Last year there was a proposition that came up to reduce the appropriation for village delivery. I should like to know what this bill provides as to that item?

Mr. SLEMP. It is the same in the bill this year that it was last year; it is not reduced. There are \$196,000 available for the extension of that service.

Mr. ROACH. No additional service has been installed?

Mr. SLEMP. Thirty-eight this year. I would like the committee to hear an account of the remarkable service that we had during the month of December. The expenses of the Post Office Department, 1923, are not much greater than 1922, and the question has been whether the department could, without increasing the expenses, absorb the very large increase in business. I have telegrams here from many cities. Grand Rapids, Mich., handled 25 per cent more business. Seattle the same. Chicago business increase, 32 per cent; situation well in hand; mail moved. Denver, Colo., increase, 62 per cent. Omaha, 51 per cent. Richmond, Va., 40 per cent. Dayton, Ohio, 15 per cent. Minneapolis, 44 per cent on outgoing mail and 20 per cent on incoming mail. Kansas City, 21 per cent; no delay or congestion. Buffalo, 17 per cent increase. Toledo, 20 to 25 per cent increase. Jacksonville, 11 per cent on outgoing mail and 40 per cent on mail received. Jersey City increase, 30 per cent. Atlanta, 20 per cent. Springfield, Mass., 25 per cent; no congestion.

Mr. FESS. Will the gentleman state how late those telegrams are?

Mr. SLEMP. These were put into the Record the day before Christmas.

Mr. FESS. If the gentleman will permit, there was a statement given early in the spring that out of 38 cities there was an increase averaging a little less than 10 per cent.

Mr. SLEMP. I just said to the committee a few moments ago that the average increase for five months was about 12 per cent, and the expected increase materialized in December of 20 per cent, and the average will be about 13 per cent. Of course, this is derived from 50 of the largest offices in the country and not from the third or fourth class offices. It is a fair barometer.

Mr. FESS. I was about to say that that is as fair a barometer as there could be.

Mr. SLEMP. Yes. Mr. Chairman, I reserve the balance of my time.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. MANSFIELD]. [Applause.]

Mr. MANSFIELD. I have here a clipping from the Washington Times of a few days ago, which I ask the Clerk to read in my time.

The Clerk read as follows:

FORD MAKES COKE; SELLS TO WORKERS.

[By International News Service.]

DETROIT, MICH., December 26.—The Ford Motor Co., by producing coke and selling it to employees at \$8 a ton, is saving workers approximately \$100,000 each month on their coal bills.

According to estimates, about 500 tons daily are now being delivered to the homes of workers, which means that Highland Park, River Rouge, and other plants receive approximately 12,500 tons monthly.

Thus these employees are assured of a ton a month minimum each at a fair price, according to the Ford News.

With coke selling throughout Detroit and vicinity at from \$14 to \$16 a ton, it will be seen that workers, individually, are able to save in many cases from \$6 to \$8, or virtually what the company asks for a ton.

Before the season ends it is estimated the Ford Motor Co. will have saved its workers \$1,000,000 on fuel bills.

Mr. MANSFIELD. Mr. Chairman, from that press dispatch it will be observed that Mr. Ford is manufacturing and selling coke to his employees at approximately one-half the price being charged by the coal barons. That, in my judgment, is a fair illustration of what the farmers of this country may expect in the way of fertilizer if he should be permitted to operate the Muscle Shoals plant. Actions speak louder than words. Mr. Ford is a man of few words but of very much action.

I yield back the remainder of my time.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, this morning's Herald quotes the gentleman from Massachusetts, Mr. GALLIVAN, in the following statement:

The Massachusetts Member said that he had been told that practically every Democrat from Texas is a member of the Ku-Klux Klan.

I doubt very seriously whether any Member of the Texas delegation belongs to that order. If any Member does, I do not know it. I do not belong, and I think the kind of talk that is going around the country such as that contained in this morning's paper, indicating that the State of Texas is dominated by the Ku-Klux Klan, ought to stop.

One of the leaders of the Klan in Texas, a man who edits the Klan paper, ran for lieutenant governor and was overwhelmingly defeated. Another distinguished member of the Klan who ran on the State ticket for State superintendent of public instruction was defeated. So all this talk ought to stop. I presume that some of the best people in this whole Nation are members of the order.

I presume that some of the best ministers of the gospel in that State are members of the order, but when it comes to votes, they do not vote for a man in Texas just because he is a member of the Ku-Klux Klan. I do not believe there is a single Member of the 18 Congressmen from Texas who is a member of that order. Therefore, why does the newspaper still continue to send this dope out over the country? For prejudice. That is all. I presume that there are men in Texas who belong to this order who probably are just as good citizens as many of us here. I am not making any fight on the order.

Mr. DENISON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. DENISON. The gentleman from Texas seems to be blaming the newspaper. I understood that the newspaper was merely publishing a statement made by one of the Members of the House. Is that correct?

Mr. BLANTON. Yes.

Mr. DENISON. Why does the gentleman blame the newspaper?

Mr. BLANTON. This is why I blame the newspaper: When the newspaper had that statement from the gentleman from Massachusetts it was very easy for the reporter to see the 18 Members of the Texas delegation in Congress and ask them whether or not they were members of the order.

Mr. DENISON. Then the gentleman thinks a newspaper ought not to repeat any statement made by a Member of the House unless he first makes an investigation to find out whether the statement is true?

Mr. BLANTON. I was just suggesting that sometimes these newspapers convey wrong impressions. This is a Hearst newspaper. The Hearst newspapers cover the entire United States, and this article doubtless appears to-day in every Hearst newspaper, and it conveys the intimation to the American people that every Member of Congress from Texas is dominated by this secret order, when, as a matter of fact, I do not think any of them are members of it, and it is wrong. It is a prejudice that is created that is not right, and it ought to stop. [Applause.]

Mr. McARTHUR. Mr. Chairman, no one seems to be occupying the floor, and if no one desires to speak, I should like 15 minutes in which to talk about the scenic beauties of the Pacific coast.

Mr. SLEMP. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. MURPHY].

Mr. MURPHY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the Record.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MURPHY. Mr. Chairman and gentlemen of the committee, I am a new member from the State of Ohio on this great committee.

Mr. McARTHUR. And a very useful member.

Mr. MURPHY. I thank the gentleman. I want to take your time for a few moments to give you some of the impressions that I received as I listened to the marvelous story of the activities of this wonderful piece of governmental machinery. Marvelous scarcely expresses just what is taking place within this wonderful governmental activity. There appeared first before that committee one of America's biggest men, a man who, through his own industry, perseverance, skill, and ability, has found a place in the activities of this country second to none in his own particular line of endeavor. Yet he is giving to this country at this time his services for a paltry salary. Salary means nothing to men of this type, because they deem it a patriotic privilege to serve, and this great, big, wonderful man

has been serving this country in this position without any claquers or sycophants surrounding him, doing the work that comes to him each and every day in a way that challenges the admiration of the people of the Nation. I refer to the Postmaster General, Doctor Work. [Applause.] His duties are general. I shall not attempt to indicate just what they are, because many of you are better acquainted with them than I. However, his great grasp of details enables him to keep in splendid touch at all times with the activities of this department, and he has supporting him as First Assistant Postmaster General another man of equal importance in this great country, and in the achievements that were his before he became active in governmental affairs in a national way. He, too, is here serving as a patriotic privilege the people of this country, not for price, because he deems it a great opportunity to do something for the country that has given to him and all others who will the opportunity that is here for all. So we find that great man ex-Governor Bartlett in the position of First Assistant Postmaster General. His duties are onerous. His duties require the highest type of executive ability and great courage, and why? Because he has to do with the appointment of postmasters, he has to stand between we folks up here and the department, to see that the department gets the best service and the best men; and I am glad to hear to-day the word of encouragement come from the gentleman from Texas [Mr. BLANTON], for a Republican in Texas is indeed a rare bird, and I am glad that he is so good that he has received the commendation of one so critical as the talented gentleman from Texas [Mr. BLANTON.]

But the duties of the First Assistant Postmaster General require that he meet in mental combat the grafters and those who would be the profiteers on this Nation in fixing the rentals of post-office buildings here, there, and elsewhere, and we found, as he testified before this committee, that in renewing leases here, there, and everywhere throughout the country the cost was increasing about 100 per cent, and he suggested that it would be money saved by the Government were it possible to standardize Government buildings and so arrange them for the conduct of business in such a way that they could be built at a nominal cost, and he cited this illustration of the needs of the Government. In the city of Chicago the postal business has grown in such an unprecedented way that they found it necessary to contract with private builders and private owners for a building sufficiently large enough to take care of the postal business of that wonderful city, and there they have a building built by private owners, leased to the Government for a period of years, a building 800 feet in length and a number of stories in the air, equipped with the latest and most modern machinery, and that building is owned by private individuals when the Government itself ought to own it. He contended that it is shortsighted policy to conduct business in that way. He also called attention to conditions in the city of New York, where they will again have to depend upon private enterprise and find buildings in which to house the activities of this wonderful department at a very great cost to the Government. Yes; it reads and listens like a romance as you sit and hear the story unfolded of this wonderful activity. That brings me down to the great big young he-man who occupies the position of Second Assistant Postmaster General. A young man who has vision, a young man who makes dreams come true, a young man who came to the Congress and asked that appropriations be made to the end that he might try out a new device which was invented by an American but which had to be developed somewhere overseas. He asked the Congress to give him some hundreds of thousands of dollars which he is using to develop the fact that it is going to be possible to take a letter in New York City, place it on board one of these ships and deliver it in San Francisco in the short space of 30 hours. Why, the rubbing of Aladdin's lamp, dream of all the wonderful things of fairy land could not picture anything more dramatic than that story. And this young man is coming to Congress again to ask for permission to try out night flying. They have demonstrated that it is possible to fly more safely in the air than it is to travel about this city of Washington in an automobile. It has been demonstrated by this department that they have flown over two million four hundred and some thousand miles and not one life has been given up in the experiment. It could not be anything but a success under the splendid management and guidance of this young man who does things as well as dream them, and I hope that he will succeed in getting the appropriations necessary to bring about that which I have just described.

You may be interested to know that this flying service that has been in operation for a number of months, that it is planned along the line of the railroad delivery of mail. For instance, in the railroad business a division is divided up into about

100 miles. The engineer and his crew take charge of a train and guide it safely over the piece of track for 100 miles. It takes the man at the throttle about 2½ or 3½ hours to make that trip. In the air mail service they have divided this distance up into legs of about 200 or 225 and some odd miles. I think there is one leg of the trip that covers about 300 miles. These fliers board their ships and it is about two hours from the time they take the air until they land their ship at the division point, and another flier takes charge of the ship and carries it on leg by leg just as the railroad business is run, but does it in one-half the time. Yes, it costs a trifle more to carry mail in the air than it does on the railroad, but some one must develop the airplane and its possibilities, and this young man, having charge of the transportation of the mails on the land, on the water, and in the air, has shown to the world the wonderful possibilities of this activity. And I would suggest right here that every city in America that expects to keep abreast of the times ought at the earliest possible moment to provide itself with a landing field for airplanes because it is not a far cry to see freight carried by airplanes; important express matter will be carried by these airplanes and delivered; and so it is necessary for those who are looking ahead to prepare for the day that is just around the corner, and this young man, the Second Assistant Postmaster General, if the Congress gives to him this small additional allowance that he is asking for, will demonstrate to a waiting world that American enterprise will bring to the world that which it never dreamed of before. Yes, there is so much that can be told that I can not take the time here now. You have been very patient with me, but I would suggest to every Member of the House that he look into and inform himself of this particular matter, because it is, as I have said, just around the corner. And I do hope that the Congress will be wise; I do hope that the Congress will give to this young man the opportunity to demonstrate to the world the wonderful possibilities of which I have just been speaking.

Mr. BLANTON. Mr. Chairman, will the distinguished gentleman yield?

Mr. MURPHY. Yes.

Mr. BLANTON. The young man ought not to have any trouble. He won over the consent of the chairman of the Committee on Appropriations on a very momentous occasion, and if he has not lost his address he ought to be able to do it again.

Mr. MURPHY. The gentleman is quite right.

Mr. KELLY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MURPHY. Yes.

Mr. KELLY of Pennsylvania. I agree thoroughly with my friend as to the need of cities providing landing fields. Certain cities have already gone to that expense of providing landing fields, but they have no way of connecting up with this air mail as they would like.

Mr. MURPHY. That is just around the corner also. It will be necessary to blaze a trail by a peculiar light that has not yet been fully decided upon; to blaze a trail for the leg of flying at night; and as at present outlined, that leg will be from Chicago to Cheyenne, a distance of 900 miles. The young man who has worked out this problem says that we shall need about 30 landing fields in that distance. These fields will not be expensive, because perhaps 20 of them will never be used, save only, perchance, in the case of accident. But they can be planted and operated by the farmers who use them. The lights, the landing lights on these fields, will be operated by the farmer who owns the field and leases the same to the Government. The details of this wonderful plan have all been worked out, and I suspect that there are others who will talk upon this question to-day who will bring it to you, perhaps, in a better way than I have been able to do it, but I do hope that in the wonderful story of the operations of this great department you will find enough to justify any vote you may give to this department to spend the money which they are asking for this wonderful experiment.

And, by the way, I want to say to you that I am glad to note that those who labor in this department of governmental activity are receiving a good wage at the present time. [Applause.]

The CHAIRMAN (Mr. McKENZIE). The time of the gentleman from Ohio has expired.

Mr. TAYLOR of Colorado. Mr. Chairman, I will take just a little time myself. I will yield to myself 10 minutes.

The CHAIRMAN. The gentleman from Colorado is recognized for 10 minutes.

Mr. TAYLOR of Colorado. Mr. Chairman, I want to preface my remarks by saying that the chairman of this subcommittee

[Mr. SLEMP] deserves the thanks and appreciation not only of the House of Representatives and of Congress but of the entire country for the splendid manner in which he handles this Post Office appropriation bill. He seems to have a natural adaptation for readily understanding business on a large scale, as well as all its details, and he has also an alert insight into governmental affairs generally and the workings of the Post Office Department that is akin to genius.

The diligence that he has displayed in figuring out ways of legitimately reducing expenses and bringing about economy without injury to its services is certainly refreshing, and as the ranking minority member of the subcommittee I am pleased to make this public tribute to his rare earnestness, exceptional capability, and untiring energy. [Applause.] While our hearings have not extended over as many days or weeks as some former hearings, I doubt if any former hearing has ever been more thorough than ours, because of the fact that we have received such an exceptional amount of assistance from the departmental officials.

I want also to join in paying a high tribute especially to Postmaster General Work and to First Assistant Postmaster General Bartlett and Second Assistant Postmaster General Henderson. No one could be with those gentlemen as we were seven or eight hours every day going over all the details of this enormous department without knowing that they do their utmost to conduct that department in a businesslike manner and are conscientiously rendering a splendid service to the country. As you all know, Postmaster General Work comes from my State. In Colorado everybody calls him Doctor Work, because for 35 years he has been one of the most distinguished physicians and prominent citizens of the West. Colorado is proud of him, and we all know that he will so administer this great department with its 335,000 employees that the entire country will be proud of him. [Applause.]

#### THE AIR MAIL SERVICE.

But, Mr. Chairman, I arose to speak briefly upon the subject of our airplane mail service. On this subject our country has come to a parting of the ways. We must either stop or go forward. The only logical or sensible thing for Congress to do is either to discontinue the appropriation of \$1,500,000 for carrying on the present service or appropriate \$2,500,000 to extend and improve it. Without hardly an exception, I think all of the 35 members of the Committee on Appropriations of the House are in favor of our going ahead and developing, improving, and extending our air mail service by establishing night flying and demonstrating its entire practicability. The Postmaster General and the First and Second Assistants and Mr. Egge, the superintendent of the air mail service, and all the experts say that we have demonstrated fully and conclusively that daylight flying is a success, that daylight carrying of mail is a success, so far as carrying a limited amount of mail across the country is concerned. We do not need to spend any more money to demonstrate that. If we are not going to progress any there is no necessity of Congress continuing the present \$1,500,000 annual appropriation—it was \$1,900,000 last year—for the continuation of the air mail service that we are now operating every day in the year except Sundays and holidays from New York to San Francisco. But the fact is that just daylight flying does not expedite the mail enough to warrant the expense. We have got to develop night flying before airplane mail service will ever be of substantial value in the Postal Service or be either a financial or a commercial success.

There is no place in the world where night flying is in operation at the present time. I believe the forward-looking people of this country hope that our Nation will go ahead and further develop the airplane service by demonstrating that night flying is practicable. It is true, of course, that we do expedite a large amount of mail across the country every day. I have here the schedule of all of the 24 airplanes that are in the air every day. The westbound flight leaves New York City at 7 o'clock in the morning with 500 pounds of letter mail, and travels westward 225 miles to Bellefonte, Pa., by 10 a. m. Another airplane and another pilot leave Bellefonte at 10.15 a. m. and go on to Cleveland, Ohio, 210 miles, by 1 p. m. Another pilot and plane leave Cleveland that morning at 9 a. m. and fly to Bryan, Ohio, 160 miles, by 10 a. m., and another plane leaves Bryan at 10.20 a. m. and flies 175 miles to Chicago by 12.25, and so on from Chicago 195 miles to Iowa City, thence 230 miles to Omaha, thence to North Platte 245 miles, thence to Cheyenne, Wyo., 215 miles, and so on to San Francisco; 2,680 miles. I could tell you how much mail they each pick up and how much they drop, and to what extent in time and what amount in volume they accelerate the transportation of the mail

across the country. There is no continuous flight across the country. It is a relay, or, rather, a succession of individual flights between certain cities. The outgoing usually leaves before the incoming plane arrives. But, roughly speaking, they do expedite or advance the mail approximately one business day right straight along across the continent.

Approximately the same kind of a schedule is being carried out at the same time beginning at San Francisco and going east.

The plane leaves San Francisco at 2.30 p. m. with 400 pounds of mail and flies over the range 190 miles to Reno, Nev., at 4.30 p. m. The Reno eastbound plane leaves at 7 a. m., reaches Elko, Nev., at 9.30 a. m., 235 miles, and at 9.45 a. m. leaves Elko for Salt Lake City, 205 miles, at 12 noon.

The eastbound plane leaves Salt Lake City at 7.30 a. m. for Rock Springs, Wyo., at 9.15 a. m., 155 miles, and leaves there at 9.30 a. m. for Cheyenne, 240 miles, at 11.30, and so on east to New York.

Each pilot makes only one of those flights a day, and then flies back over the same route the next day with the same plane. He then rests one day, and then makes the same round trip the next two days.

That route is practically a straight line of 2,680 miles from New York to San Francisco. Adding up the relay flying time—that is the present schedule of the transcontinental trip—is 27½ hours. So we are perfectly safe in estimating that the day and night trip can be made in from 28 to 30 hours. It probably will be made within 24 hours within the next five years.

Mr. LAZARO. Will the gentleman yield for a question?

Mr. TAYLOR of Colorado. Certainly.

Mr. LAZARO. Of course, we all know that aviation is in its infancy and that it is developing fast and that it is connected with every branch of industry.

Mr. TAYLOR of Colorado. Yes. It will very soon be one of the greatest and most important industries in the world.

Mr. LAZARO. Is it not true that if the Government stops the development of it in the mail service private enterprise can not carry on that particular branch of development?

Mr. TAYLOR of Colorado. Oh, yes; that is absolutely true. There is no way at this time in which it can or will be developed into a paying mail utility except by Uncle Sam. It is not at this time a paying proposition at all for any private enterprise to carry mail. But if we go ahead and they use the appropriation of \$1,000,000 or \$1,500,000 more, they promise absolutely to demonstrate within the next two years that night flying is entirely practicable. As has been said by my colleague [Mr. MURPHY], they propose to establish a day and night route across the United States, starting from New York at any time up to noon, and flying to Chicago, and then a night route from Chicago to Cheyenne, Wyo., a distance of about 900 miles. They want to make about 30 emergency landing stations on that route. The reason they select that central distance for the night route is, in the first place, that it is a straight line over a flat country. They have already got it pretty well marked out. In the second place, they can always start from New York and make Chicago in daylight, and then make this night flight to Cheyenne, and the next forenoon, any time up to noon, they can leave Cheyenne and land in San Francisco, and every day make the same kind of a flight from San Francisco to Cheyenne and a night flight to Chicago, and thence to New York. In other words, it will be a flight of from 28 to 30 hours across the United States from east to west and from west to east every day.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. TAYLOR of Colorado. Yes; certainly.

Mr. WILLIAMSON. How much is the additional appropriation asked for to develop this proposed night flying?

Mr. TAYLOR of Colorado. A million dollars. The post office officials and airplane experts feel quite confident they can establish and work the route for \$300,000 if we allow them to use an unexpended balance they now have on hand, but to cover all contingencies they ask Congress for \$1,000,000.

Mr. WILLIAMSON. And that will expedite the mail by flying a distance of 800 miles at night?

Mr. TAYLOR of Colorado. Yes; 885, or practically 900 miles. That is the air-line distance between Chicago and Cheyenne, which will be its night section, going both ways. That money will be expended principally in establishing stations. You understand, they must have emergency stations about every 25 or 30 miles and have them brilliantly lighted at night, so that they can be seen for, say, 30 miles, and large enough so that a pilot can safely land on them at any time any night. And then they will have a string of guide lights about 3½ miles apart, so there will be a continuous string of lights, automatic in operation, from Chicago to Cheyenne to

guide them, no matter how dark or foggy or stormy the weather may be.

For each of these emergency landing stations it is contemplated to lease a field or large square block of ground, at least an eighth of a mile wide and a quarter of a mile or more long, and surround each of them by brilliant beacon lights that can be readily seen for a distance of 30 miles or more and with ample space within them for the pilot to light safely in any kind of weather.

Those lights are about 70 feet above the ground and of a very intense white light; possibly some of them may be the so-called mercury vapor light. The lights will be automatic in operation. There will be 31 of those emergency landing fields between Chicago and Cheyenne. Those fields can all be leased of farmers and equipped for approximately \$15,000 each, and they will, of course, have the necessary local caretaker and will only be used by the aviator in case of emergency. Probably 25 out of the 31 never will be used.

Mr. SLEMP. Will the gentleman yield?

Mr. TAYLOR of Colorado. Certainly.

Mr. SLEMP. I call attention to the fact that we are proposing that they may use the unexpended balance of 1923 during the fiscal year 1924.

Mr. TAYLOR of Colorado. Yes; the unexpended balance will cut down this appropriation, so that personally I do not believe there will be over \$800,000 required to establish all these 25 or 30 stations, which will be permanent, and to also erect this string of guide lights, some of them different colored lights, distinctive lights, but mostly white. There will also have to be some signals or instrument that will show the pilot how close he is to the ground at night. Also signals showing the directions and velocity of the wind, and probably some other night signals, especially for dark and stormy nights.

Now, if Congress will make this appropriation and establish that night route from Chicago to Cheyenne and develop a perfectly practical mail route of 28 hours between New York and San Francisco, each way, we believe it can be made a self-supporting proposition and that it will be taken up by other cities and throughout the country generally and that it will soon become a paying commercial enterprise. We hope and believe that the airplane carrying of mail will before long be taken over by private concerns and that the Government will be able to let contracts for the carrying of mail by airplane on all practical routes throughout the country and to retire from the business after it has demonstrated that it is a complete success.

This last year the Post Office airplanes flew practically 2,000,000 miles without an accident, with a percentage of efficiency of 94.46 per cent. For 10 consecutive weeks this last summer its operation was 100 per cent perfect. Each trip across the continent was started regardless of weather conditions and finished on schedule time. It is universally acknowledged to be the best air-mail service in the world. About 12,000 pounds, or 480,000 letters, are each day advanced practically one business day. Of course, between cities that are only 500 miles or less apart night air-mail service is not necessary or practical, because a night train will take all the mail there is put in the post offices up to 8 p. m., which is all of it, practically, and will deliver it in time to be distributed and delivered before office hours or in ample time for business the next morning.

This one transcontinental air-mail route is now carrying 2,380,000 pounds of letter mail each year at a cost of \$2.50 per ton per mile.

All the details of all of this airplane-mail service and what they hope to develop are fully set forth in the printed hearing before this subcommittee. I might add that there is only one man on each airplane. There are 40 aviators in this service now, and 24 of them are making a flight every day regardless of weather conditions, except Sundays and holidays. They are scheduled to fly 1,800,000 miles a year. There are supposed to be 75 planes in active commission. That is two planes in perfect order on the ground for each one in the air. At present there are 66 good planes in operation and about 30 being put in order. Each plane in the air consumes about 25 gallons of flying gas per hour. One ship or plane is destroyed every month, approximately.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TAYLOR of Colorado. Mr. Chairman, as I am in control of the time of debate on this bill on the minority side, I yield to myself 10 minutes more. Your subcommittee earnestly hopes that the House will grant this appropriation and give the Second Assistant Postmaster General authority to go ahead with this tremendously important air-mail experimental work. They have had very capable men in the field at-

ready about three months, and they have got this night route pretty well blocked out, including the landing stations and a great many of its details. They know the cost of these different stations. They know the cost of each one of these guide lights will be comparatively small. I will say that they take the Army Haviland planes with Liberty motors, all built in this country, and remodel them for about \$1,700 each, and use them in this service, while private concerns want to charge \$35,000 for remodeling each plane.

The Post Office Department is doing very commendable and economical work in remodeling these Army planes at a very reasonable cost. We get these planes from the Army. They are not the best kind of planes for this work, because there is not room in the fuselage or body of the airplane to carry more than about 600 or 700 pounds of mail—in fact, they only carry 500 pounds of mail. The Army planes are designed to carry bombs underneath. But we have got to put the mail inside the fuselage. Sooner or later there will be a different type of plane developed for the use of the Post Office Department that will carry several thousand pounds of mail and merchandise and some passengers. But at the present time the Army has an unlimited number of Liberty motors on hand and the air mail service is using the Haviland Army planes that the Government now owns.

Mr. WILLIAMSON. Will the gentleman yield for another question?

Mr. TAYLOR of Colorado. Yes.

Mr. WILLIAMSON. How many planes are now in service transporting mail?

Mr. TAYLOR of Colorado. There are 24 planes in the air every day except holidays and Sundays, and there are 42 more right now in perfect condition and ready for use at a moment's notice.

Mr. WILLIAMSON. Does a plane leave New York daily?

Mr. TAYLOR of Colorado. Yes; one leaves New York at 7.45 every morning and one leaves San Francisco at 2.30 every afternoon. I can give the gentleman the complete schedule. There are 35 pages in the printed hearings, beginning at page 222, giving an elaborate presentation of the whole matter, and anyone who wants to study it can get a history of the airplane mail business right up to date. It is a splendid presentation of it and our committee gave a great deal of attention to it.

Mr. CABLE. Will the gentleman yield?

Mr. TAYLOR of Colorado. Certainly.

Mr. CABLE. Is it intended to buy real estate with this appropriation?

Mr. TAYLOR of Colorado. No; we will not have to buy hardly any real estate at all. We will use farmers' fields for the 31 emergency landing stations, and lease them for a term of years at a nominal sum. The farmers will continue to use them for meadows or pastures, or possibly for small grain, so that we do not have to buy or pay much for them. We learn that the use of the ground occupied by the guide lights every 3½ miles will cost very little. The Government now owns the Chicago station, which is a very important one.

Mr. DENISON. Will the gentleman yield?

Mr. TAYLOR of Colorado. Certainly.

Mr. DENISON. Will the gentleman state the time it will take to transport the mail from New York to San Francisco when you get night flying?

Mr. TAYLOR of Colorado. Twenty-eight hours will be the time schedule with the kind of planes we use now.

Mr. DENISON. What is the fastest time that they make by train?

Mr. TAYLOR of Colorado. About 84 hours. I have had marked out the route and each station of the 14 present stations on this large United States map I have here, and the time when each machine leaves each station, and what mail it takes up, where it drops the mail, the number of pounds it carries, and the whole story of what we are doing at the present time in the field. Also whether the Government owns or leases the field.

Mr. LAZARO. Will the gentleman yield?

Mr. TAYLOR of Colorado. I will.

Mr. LAZARO. Is it not true that in Europe before the end of the war they began to develop commercial aviation?

Mr. TAYLOR of Colorado. Yes.

Mr. LAZARO. They also had the Government mail service.

Mr. TAYLOR of Colorado. Yes. They have rather a limited amount of air mail service, but they have no night air mail service anywhere in the world to-day. Your committee feels that as a matter of patriotic pride, as a matter of our national importance and standing, as a matter of preparedness and of self-defense, as a matter of our natural, necessary, and inevitable development in mail service, and commercially, and every

other way, that it is of the utmost importance that this air service should be continued and developed, improved and encouraged as much and as fast as is reasonably possible.

Mr. ROSENBLOOM. I would like to ask the gentleman if it is the plan to stick to the 14 points. [Laughter.]

Mr. TAYLOR of Colorado. Yes; unless something else is shown to be better. I do not believe President Wilson had anything to do with selecting the 14 points at which the airplanes light every day between New York and San Francisco. But they are the most practical route. They are a straight course, and I think it will be the plan of the Government to stick to them.

Mr. RANKIN. Let me suggest to the gentleman from West Virginia [Mr. ROSENBLOOM] that there may be some reservations put on in the Senate. [Laughter.]

Mr. TAYLOR of Colorado. Mr. Chairman, this committee believes that, so far as carrying the mail by this daylight route is concerned, the novelty is worn off. People will not pay an extra amount to carry a letter between New York and Pittsburgh, or Baltimore, or Philadelphia, or Washington, or between a great many of the large cities that are only 500 miles or so apart and between which the trains run every night. There is no object in doing so. We have got to think about the financial and practical side of it; also the habits of business men. We do not get much mail in the post office at night after the evening trains leave, and there is consequently comparatively little letter mail to go out in the morning. When an airplane leaves a city in the morning it often has very little mail. People put their mail in the post office in the afternoon and evening, and the evening trains take all the day's accumulated mail and they run 500 miles at night. So that, as far as the daylight flying is concerned, it is not a practical proposition at all from a financial point of view. We must either develop night flying or quit the air-mail business. There is no use in spending a million and a half dollars or more a year just to keep up this day service, because the business men will not pay anything extra for it. They will not buy air-mail stamps at even 15 cents apiece. They are putting their mail in the post office to go by train.

Mr. BLANTON. Will the gentleman yield?

Mr. TAYLOR of Colorado. Yes.

Mr. BLANTON. If the airplane could pick up the mail 500 miles outside New York that might help some.

Mr. TAYLOR of Colorado. Oh, yes. This air-mail service is doing a wonderful work. They are right now expediting nearly a hundred million letters a year and delivering them in approximately 24 hours—that is, I mean one business day—ahead of the time they would otherwise be delivered if they were carried by the trains. But that is such an infinitesimal per cent of the mail of this country that it is not at all sufficient to warrant or justify this expenditure of \$1,500,000 a year merely as a mail proposition. I am now speaking of this situation purely from a business standpoint. If we are going to stand still it does not pay. We ought to either advance or quit. In writing even very important letters nowadays no one ever thinks of or pays any attention to this very limited air-mail service. So far as practical and continuous and regular and safe flying is concerned, and also carrying a limited amount of mail, it is a thoroughly demonstrated success. But it is not at all self-supporting. In fact, it does not pay anything at all. There is no cash return to the Government whatever at this time.

Mr. WILLIAMSON. The gentleman says that the air-mail service is not paying its way. What proportion is it paying; is it paying 50 per cent, 25 per cent, or what?

Mr. TAYLOR of Colorado. When we first established air mail service some three years ago Congress authorized an extra stamp charge for carrying a letter by airplane. But the novelty of that soon wore off and the department discontinued making any extra charge, because the planes had nothing to carry, so there is now no extra charge and no return.

Mr. WILLIAMSON. In other words, we are now carrying mail by airplanes upon the same basis as by any other method and at a considerable financial loss. However, I am not criticizing the Mail Service on that account. Do these mail planes correspond to the bombing planes?

Mr. TAYLOR of Colorado. Yes; a good deal; they are the Haviland planes. I think they call them the DH 4's. But we have to remodel them, as I explained a few moments ago. If we demonstrate the feasibility of night flying generally all over the country, then we can and will again use an airplane stamp. We can give the people an expeditious mail service that they will gladly use and pay for. But by only flying in daylight there is not enough time gained to make it worth while and the people will not pay extra for the little extra time gained. But they will pay from 10 to 25 cents or more if we can send a letter across the country in 28 hours.

Mr. DENISON. Will the gentleman yield?

Mr. TAYLOR of Colorado. Yes.

Mr. DENISON. The Government has stopped putting an extra charge on the Airplane Service?

Mr. TAYLOR of Colorado. Yes; because people quit buying airplane stamps. They would not pay the extra charge. Air mail service can and will sooner or later be a self-supporting, in fact, a paying, service. There are 40 letters to a pound, and a plane that carries 500 pounds carries 20,000 letters. If each letter carries a 10-cent stamp, that means \$2,000 for each plane load of letters. But we will soon have airplanes that will carry at least 1,000 pounds of mail, and we can charge more than 10 cents for long flights, provided that we establish reliable night service. Otherwise not, under present conditions.

Mr. MacLAFFERTY. Will the gentleman yield?

Mr. TAYLOR of Colorado. Yes.

Mr. MacLAFFERTY. Does not the gentleman feel that in the country where this idea originated we are not altogether losing if the service does not pay in dollars and cents?

Mr. TAYLOR of Colorado. The gentleman is quite right.

Mr. MacLAFFERTY. We are demonstrating a certain thing in the Air Service and our country is way behind. As it happens, five minutes before the plane reaches the western end of its trip it passes over my district. About 3.40 o'clock every afternoon you can look up in the air and see one of these Government planes going overhead, and you can see it almost as surely as you turn your eyes upward.

Mr. TAYLOR of Colorado. Yes; and on that last section between Reno and San Francisco the airplanes often have to go up to a height of 15,000 feet to get over the mountains.

Mr. MacLAFFERTY. They do in order to go over the Sierra Nevada Mountains. As a part of the national defense I feel that it is our duty to give encouragement to air transportation and develop all the ingenuity the country possesses in order that this service may be further developed, and I, for one, hope it will go through.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. TAYLOR of Colorado. Mr. Chairman, I will yield to myself five minutes more.

Fellow Members of the House, no human mind can grasp the future possibilities of the airplane. Our country can not afford to lag behind any other nation in the world in this great enterprise with such marvelous possibilities. A strong merchant air fleet is as necessary to the national defense of the future as a strong navy or a merchant marine. The status of commercial aviation in this country has a direct bearing on national defense. Commercial aviation properly developed will form a reserve power back of the military and naval aviation forces. And our forward-looking citizens throughout the country are not only urging legislation toward developing the airplane service but also toward stabilizing commercial aviation. I see by newspaper account of a report made by the Aeronautical Chamber of Commerce that the past year has been characterized by remarkable progress in design, construction, and operation. The report says:

Nowhere else has there been such startling improvements. American pilots in American machines, powered with American motors, have obtained such results as to warrant the assertion that there has been the most significant series of achievements in the world's history of flight.

I also notice that public-spirited business organizations are urging that Congress encourage improvements in a great many ways toward the further and more rapid development of airplane service. And they point with pride to the fact that the world's record have recently been made by American aviators. They point to the fact that Lieut. John A. MacReady made the record altitude flight of 40,800 feet, and that he and Lieut. Oakley G. Kelly made the endurance record of 35 hours 18 minutes and 30 seconds in the air; and that those two men also made the long-distance record flight of 2,060 miles, while Lieut. R. L. Maughan made the speed record of 226 miles an hour. And that notwithstanding these superb records, of which we are all supremely proud, our Government is appropriating only about one-third of what either England or France are appropriating toward the development of aviation.

This is not a matter of dollars and cents. I am not appealing to you on that ground. Our committee appeals to you upon the ground of patriotic national pride. We ask you to make this small but absolutely necessary appropriation in order that our Government may go ahead and demonstrate to the world that we can establish a thoroughly practical night-flying mail service, and to be the first nation in the world that does so. We ask you to encourage the hundreds of splendid young men who are risking their lives every day to make this great service a great success. If Congress supports them, they will develop an

air-mail service that will be the admiration of the civilized world. And your committee fervently hopes that the House will take the lead in this matter, and thereby justly merit and receive, as they will, the approval of the American people for so doing. [Applause.]

Mr. SLEMP. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. LITTLE].

Mr. LITTLE. Mr. Chairman, as I listened to this wonderful opening of the doors of the future to what possibly and probably will occur, my mind goes back to the days of long ago when we never even dreamed of such things. When I was a little boy often we saw miles and miles of mule trains and cattle trains starting across the Great American Desert to go to Santa Fe. Then presently we learned that they had a railroad to Denver, and after a while we got notice that the great railroad at Salt Lake had been completed by the driving of a golden spike, and that we could ride by rail from the Missouri River to the Pacific Ocean. As the gentleman from Colorado [Mr. TAYLOR] spoke my mind reverted to the first edition I ever saw of Richardson's *Beyond the Mississippi*. He paints a glowing picture of the train that first reached Salt Lake and you hear the brakeman calling, "Salt Lake; change cars for San Francisco, Honolulu and the Pacific Ocean, Japan, China, the Philippines, India, and Australia." A wonderful vista to my youthful eyes. Since then, Mr. Chairman, I have made most of that journey myself, and in a very commonplace way, and it has become commonplace to all of us. Again, since that time we have gone through a series of developments of American business that has been brought to a point where men actually travel from New York to San Francisco in 28 hours. Gentlemen, you can shut your eyes and dream, and you will never in your fondest dreams reach the point of the limitations which time will bring. It is to go on and on.

Mr. TAYLOR of Colorado. Mr. Chairman, if the gentleman will permit, I may say that it is contemplated we will be able to transport passengers where it is necessary for important personages to cross the country from New York to San Francisco, in case of war or other emergency.

Mr. LITTLE. Yes. Of course, every time you turn your hand we meet with further progress. It is not only possible, but almost certain. I have just read this bill, and it calls for an appropriation of \$584,000,000, and all this is possible because the Government has gotten behind it. They paid millions of dollars of real estate into the railroads which crossed the continent to San Francisco. Without the Government going into all this business there would not have been such a development of civilization and of our people's wealth and progress as there has been. Once in a while I hear some little bell tinkling in the rear of the procession as a friend bobs up and says that he is "against the Government going into business." There is nobody like that. You can tell when you see this bill come up. Every man in this Congress who is against the "Government going into business" will vote against this bill. If he does not, then he is not against the Government going into business. You may flatter yourself that you have some scheme by which you can make an alibi, but that is all it is, a manufactured alibi. Everyone who votes for this Post Office bill and its \$584,000,000 is in favor of the Government going into business, whenever it is to the best interests of the people that it should. Nobody here would go any further than to aid our people. That is all that any of us who are most interested in the Post Office insist upon or even hope for.

Every year civilized governments go more and more into business. That is why civilization progresses so rapidly. I have proposed legislation which will make it unnecessary for the Government to go into the wheat business. It will give the farmer the full advantage of the laws of supply and demand; at present that is left to the grain gambler, who goes in through his bears and bulls. Give the wheat farmer the same aid you presented to the railroads and shipping people.

We want the Government to go into business whenever it is to the best interest of the people to do so. An immense amount of things never can be run for profit, and this is one of them. They must be done for the benefit of civilization and the people. We have done many things in the name of business, to assist business, and put the Government into business. Just the other day a majority of this House voted a subsidy of \$50,000,000 a year to a few great millionaires who want to carry on a business at sea. A majority of this House is for that. Everybody here who voted for that is committed to the Government engaging in business or anything of a similar tenor that will help the lesser people. You can not afford to vote to give the millionaires \$50,000,000 a year for some enterprise to roll in riches, and perhaps bring the Government no results, and then turn around and say that you will not help the American laboring

man, that you will not help the American farmer. You did help the American laboring man when you passed the Esch-Cummins Act. That act provided, when we carried out President's Wilson's contract with the railroads, that the Government should assist them financially, so that they should be able to employ the men and pay them their wages, and without it they never would have been able to. Everyone on the railroad systems would have been on strike long before they were if this Congress had not voted such assistance to the railroads as enabled the Government to carry out Mr. Wilson's contract with them, and made it possible for them to pay their hands. You are committed to that. Why do you not begin to consider some assistance to the American farmer? The raising of wheat, the making of bread, is just as important as the transportation of it. The basis of all success in business is the success of the farmer. He is the man who feeds you, and if he strikes you all starve.

I have prepared and placed before the House and the Agricultural Committee a bill which calls for a permanent investment of \$30,000,000, not an annual one of \$50,000,000, for which you voted, to assist the American wheat producer in getting a dollar for his wheat by an ordinary, simple utilization in a plain business way of the laws of supply and demand for his benefit instead of the benefit of some one else. Men who voted eagerly for \$50,000,000 a year to help somebody start in on ships they get for nothing say to me that the Government goes into business whenever it helps the farmer. I do not want anybody that I have any respect for to say that to me. If you do not want the farmer helped, say so, but do not tell me that you are opposed to the Government going into business; simply say that you are opposed to the Government giving anything to help the farmer, and be done with it.

I am glad of this opportunity to direct your attention to these points. Every man who voted for the subsidy and wants to preserve his self-respect, of course will not object when we vote a little money to aid the wheat farmer. Every railroad that is built could not have moved a foot unless the Government helped it. You come to my farm and you want a right of way over it and I do not want to sell. Then you go to your State, and the State exercises the right of eminent domain and makes it possible for you to build the railroad.

The State retains what is equivalent to a half interest in every railroad built. It is worth that much to them. If the State did not loan its right of eminent domain to the railroads the railroads would not be built. The State has what is equal to a half interest in each railroad, and therefore the State can regulate railroad rates—say what they ought to charge. That is all there is to it. They can say in this city what they can charge to carry you in a hack, and in the case where the railroad does the carrying on a public highway on steel rails it is equivalent to carrying you in a hack or your products in a truck. Now, when we resolve ourselves to the last analysis that is just where you stand.

Mr. BLANTON. Will the gentleman yield?

Mr. LITTLE. I will.

Mr. BLANTON. The distinction about the Post Office business is that the Government engaging in it does not interfere with any private business, because there is no private competition. The Government has a monopoly there.

Mr. LITTLE. No; the gentleman does not go back far enough. There was at first, 100 years ago and more, great opposition to the Government engaging in the carrying of the mail. When I was in China private persons were carrying the mail. Then, in Shanghai, our post office was considered wonderful.

Mr. CARTER. And the parcel post, certainly.

Mr. LITTLE. Certainly. It is a great business benefit. But it is but a comparatively short time since people were carrying the mails and a very short time since people were collecting taxes—as, for instance, in India, only about 50 years ago, and in France, till the Revolution. Everything the Government does was at some time done by private citizens. Every time the Government takes a step forward and does something that was done by private people we hear people say, "Let us not go into business." Great God, that is what the Government was organized for, to go into business. Every policeman takes the place of some private night watchman. Let us not talk that way. Let us not say, "I am opposed to the Government going into business." Just say, "I am opposed to the Government going into this or that business." Let us be fair and sensible. You give a railroad the right of eminent domain and then vote that it may get a good investment return. Why should you put in half to build and then see it through? You vote that a railroad that runs on a public highway should charge enough to give it 5½ or 6 per cent return. Will you not vote for every

farmer getting \$1 a bushel—mere cost—on his wheat? [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. LITTLE. I ask unanimous consent to revise and extend my remarks and to insert the bill H. R. 13352.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. LITTLE. This bill is planned to do for wheat what the gold reserve did for the currency. Nobody wants gold if it is there in the reserve. Nobody will go to the United States for \$1 a bushel as soon as they learn the United States will pay it. The grain dealers will pay that, and there will be no interference with the ordinary course of trade. This bill does not guarantee or fix the price. It depends on the ordinary rules of trade.

The bill is as follows—I hope gentlemen who discuss it will read it; it is a new proposition:

A bill (H. R. 13352) to authorize the Secretary of Agriculture to purchase, store, and sell wheat, and to secure and maintain to the producer a reasonable price for wheat and to the consumer a reasonable price for bread, and to stabilize wheat values.

*Be it enacted, etc.,* That the Secretary of Agriculture is hereby authorized to buy wheat of such grades and quality as he designates, at such times and places as he directs, at not to exceed \$1.10 a bushel and at not to exceed the market price at said times and places, except when wheat is being sold there and then at less than \$1 a bushel, when he may pay \$1 a bushel for said wheat if he deems best; and he shall not expend in said purchases any funds except those appropriated by Congress for the said purposes, except as herein otherwise specifically provided, and an initial appropriation of not to exceed \$30,000,000 is hereby authorized, and the amount thus appropriated and all moneys received for the sale of wheat, except as herein specifically stated, shall constitute a revolving fund for the purchase, transportation, and storage of wheat, and for the insurance thereof.

The wheat he buys shall be stored in elevators under warehouse receipts.

The Secretary of Agriculture may from time to time sell wheat at not less than the market price in Minneapolis, Buffalo, Kansas City, Kans., Chicago, and New York City, as he shall deem to the best interests of the Nation.

Whenever wheat of the aforesaid grades and quality can not be bought in Chicago and New York City for less than \$1.85 per bushel the Secretary of Agriculture shall proceed to sell as much of the wheat he holds in storage as he deems wise, at such prices as shall be considered proper by him, and so continue as in his judgment such sales shall be to the best interests of the Nation, and the funds so obtained shall be returned to the fund appropriated to make the purchases and shall thereafter be so used, as shall funds secured by the sale of wheat by the Secretary or by the issuing of Treasury certificates of the United States as hereafter provided.

Whenever the Secretary of Agriculture has accumulated and held in storage for 30 days 25,000,000 bushels of wheat, Treasury certificates may be issued, under such terms and conditions and of such amounts as the Secretary of the Treasury may approve, that shall equal the amount paid for that said 25,000,000 bushels, and with the proceeds the Secretary of Agriculture may proceed to purchase and store more wheat, subject to all the provisions hereof. From time to time the Secretary of Agriculture may sell from the wheat held under the warehouse receipts for the said 25,000,000 bushels as he shall deem best, and the proceeds of the sale of that particular wheat shall be deposited in a separate fund for the payment of the said Treasury certificates, which shall be paid, when due, from the money received for the said 25,000,000 bushels, and from time to time as other 25,000,000 bushels are purchased and stored the process may be repeated by the Secretary of Agriculture, subject to the approval of the Secretary of the Treasury, but a separate account shall be kept of the money received from the sale of each set of Treasury certificates and of the wheat bought therewith and of the proceeds of the sale of the 25,000,000 bushels on which the said set of Treasury certificates were issued, and if the proceeds of said sales do not furnish enough money to pay off the said set of certificates the money to do so may, if necessary, be taken from the revolving fund.

The President of the United States shall appoint, for a term of four years and subject to removal by him, an officer in the Department of Agriculture, to be known as the superintendent of grain and bread, at a salary of \$7,000 a year, who shall maintain in Washington an office as his headquarters, employing, subject to the approval of the Secretary of Agriculture, such assistants in said headquarters and such agents for the purchase and sale of wheat as shall be appropriated for.

Subject to the provisions hereof, the Secretary of Agriculture shall make, subject to the approval of the President of the United States, and shall enforce suitable regulations for the exercise of the powers and the performance of the duties hereby authorized.

Mr. TAYLOR of Colorado. How much time is there left now?

Mr. SLEMP. I yield five minutes to the gentleman from Wyoming.

The CHAIRMAN. The Clerk informs the Chair that the gentleman from Colorado has 30 minutes remaining and the gentleman from Virginia has 7 minutes remaining.

Mr. TAYLOR of Colorado. I do not think we want any more time on this side.

Mr. SLEMP. Then, if it is agreeable, will the gentleman yield five minutes out of his time?

Mr. MONDELL. Mr. Chairman, I generally agree with the gentleman from Kansas [Mr. LITTLE], but I am a little surprised at the tangent he struck this morning. Even taking that tangent I think the gentleman ought to be careful about his facts. It is true that when we took over the railroads during

the war we did guarantee while operating them a small return, and when we returned them to their owners we did for a very brief period guarantee a small return, but we have not since guaranteed the railroads anything or any return.

Mr. LITTLE. If the gentleman will yield, I entirely agree with that statement, and that is what I intended to say. I know we were for a few months, but have long since stopped.

Mr. MONDELL. I did not know but what the gentleman had fallen into the error that some folks who are not so well informed have fallen into. I am glad I was mistaken. The gentleman said we should stop talking about being opposed to the Government going into business. Well, I think opposition to the Government going into business is a very sound position to take. But while we are opposed, by and large and in the main, to the Government's engaging in business, there are certain lines of service, of public service that are more or less in the nature of monopolies, the Government may properly, so far as experience may justify, engage in. The Post Office Department is illustrative of that sort of thing. We have established a monopoly there—it seemed necessary to do it, and we are performing that particular service quite well. It is not business in the ordinary accepted sense of the term, the broader sense of the term, but the gentleman from Kansas started from the premise that we have embarked on this public service under public auspices and then suggests that we should make an effort to guarantee the value of commodities, and he refers to it as the Government "going into business." That would not be business, it would be foolishness.

Mr. LITTLE. That was not my plan at all. I was endeavoring to avoid the Government going into business by my plan, and by it we make no guaranty and fix no price.

Mr. MONDELL. If the Government, with a view of maintaining prices of commodities, were to start in buying up so-called surpluses—and just what constitutes a surplus nobody knows—the Government would have embarked upon a sea of trouble that would wreck the Government and everybody connected with it.

Mr. LITTLE. My bill endeavors to avoid that very thing.

Mr. MONDELL. Whatever the so-called surplus might be—churns or china bowls, pitchforks, toothpicks, or wheat—the principle is the same and the difficulties would be the same, the evils would be the same, and you would reap the same harvest of disaster in the end.

Mr. SANDERS of Indiana. You would reach about the same result if you undertook to fix the price of coal, would you not?

Mr. MONDELL. The price of what?

Mr. SANDERS of Indiana. Coal.

Mr. MONDELL. Well, the gentleman evidently has in mind that by indirection we made it possible to place some moral restraint over the desire of the profiteers to unduly enhance the price of coal. The gentleman did not think that was justified. I think it was.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. SANDERS of Indiana. Mr. Chairman, I ask unanimous consent that the gentleman may have one minute more.

Mr. MONDELL. May I have five minutes more?

Mr. SLEMP. I yield to the gentleman five minutes more.

The CHAIRMAN. The gentleman is recognized for five minutes more.

Mr. SANDERS of Indiana. I just wanted to call it to the attention of the gentleman from Wyoming that as a matter of fact the extraordinary powers that we granted in the bill that we passed with reference to fixing the price of coal were never used. The action of the producers in refraining from increasing the price was voluntary.

Mr. MONDELL. Well, I think the legislation had a moral effect at any rate. It certainly served notice upon people who were inclined unduly to raise the price of coal that there was authority under which their ambition to secure undue and improper profits could be checked; and in passing I want to say that I think it would have been very proper to have exercised a little more authority under that law.

Mr. SANDERS of Indiana. My information was that the gentleman himself made a very fine speech against the fixing of the price of coal, and then cast his vote the other way. I thought the gentleman's argument was sound, but his vote was inconsistent with it.

Mr. MONDELL. Yes; I am against attempts at price fixing, and yet I think there are times when we are entirely justified in using the instrumentalities that we have at hand to restrain profiteers; and if that can be done without the direct attempt to do the impossible—that is, to fix prices—I think it was wise under conditions such as existed at the time we acted to do just what we did.

Now, I have only five minutes, Mr. Chairman, and I rose for the purpose of discussing the air mail service.

Mr. LITTLE. Now, will the gentleman yield?

Mr. MONDELL. But I have gotten into a colloquy upon other things.

Mr. LITTLE. I am sorry that my little speech diverted the leader from this important topic, but he has done me an injustice in discussing my bill without having acquired any knowledge of its contents.

Mr. MONDELL. I have not read the gentleman's bill, but I heard all of the gentleman's speech.

Mr. LITTLE. This is the first time in the experience I have had in the House when I have observed that the gentleman has undertaken to discuss a subject that he did not know anything about.

Mr. MONDELL. I heard all that the gentleman said, and if the bill that he refers to is along the line of the gentleman's suggestion I am not inclined to read it, because if I did read it and found the gentleman's name at the top of the bill I should be shocked, for I have great admiration for and confidence in him.

Mr. LITTLE. I said nothing about guaranteeing the price.

Mr. MONDELL. I understand the gentleman's plan is to buy up "surpluses," whatever that may be, with a view of maintaining prices through the purchases of "surpluses." Well, almost everybody who is in business at one time or another has a surplus that he would like to have somebody take off his hands, and I believe if you started on that sort of thing you would have started on a long, long trail that would have many turnings and many pitfalls.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. CARTER. Like the gentleman from Wyoming, I have not read the bill of the gentleman from Kansas [Mr. LITTLE], but as I understand it from this discussion—

Mr. MONDELL. Well, I started in to talk about the air service. The gentleman from Oklahoma can make his speech in his own time.

The CHAIRMAN. The time of the gentleman from Wyoming has again expired.

Mr. CARTER. I will try to obtain more time for the gentleman.

Mr. MONDELL. When am I going to be able to talk about the air service?

Mr. CARTER. I will get you a minute.

Mr. MONDELL. Be very brief, then.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that the gentleman from Wyoming may proceed for one minute more. Is there objection?

There was no objection.

Mr. CARTER. I will take half of that minute. The thing I wanted to say is that the bill of the gentleman from Kansas, as I understand it, proposes to stabilize the price of wheat by taking over a surplus of 30,000,000 bushels, at \$1 a bushel, in order that the wheat farmer may not longer have to produce his crop at a loss.

Mr. MONDELL. Why not two? I see the gentleman's bid, and I raise him. [Laughter.]

Mr. CARTER. Now, in the bill proposed and passed through this House by the gentleman's party, known as the ship subsidy bill, and I voted against that bill—

Mr. MONDELL. Oh, if the gentleman is going to talk of the ship subsidy bill—

Mr. CARTER. Let me consume my half minute. You propose by that bill that we shall stabilize the shipping industry to the extent that the shipping people might not have to do business at a loss. Now, what is the difference in principle between the bill of the gentleman from Kansas to guarantee the farmer against doing business at a loss and the ship subsidy bill, which proposes to guarantee the shipping industry against doing business at a loss?

Mr. MONDELL. No. We endeavor to make it possible to transport American products under the American flag. That is a needed service. We propose to make it possible to perform it.

Now, I have just a minute, and I would like about two minutes in which to talk about the air service.

Mr. TAYLOR of Colorado. How much time does the gentleman want?

Mr. MONDELL. I would like to have three or four minutes to talk about the air service.

Mr. TAYLOR of Colorado. I yield to the gentleman five minutes.

The CHAIRMAN. The gentleman from Wyoming is recognized for five minutes more.

Mr. LAZARO. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. LAZARO. In the gentleman's discussion with the gentleman from Indiana [Mr. SANDERS] a while ago the fact was brought out that the authority given was not used.

Mr. MONDELL. I think it has been to a certain extent. I am quite confident of that. At least it has been used to the extent of moral suasion. That has been quite helpful and has done quite a bit of good.

Now, Mr. Chairman, I was interested in what the gentleman from Colorado [Mr. TAYLOR] said about the air mail service. I entirely agree with him in his estimate of the value of that service and the importance of continuing it. It has been my privilege to come in contact with the men of this service, to associate with them, to know their work, to visit them at their stations, and become fairly well acquainted with what is done and with the way in which it is done. I have never believed—and I have been very frank in my statements in regard to that—that from the standpoint of the expedition of the mail, from that standpoint alone, this expenditure was justified. But from the viewpoint of the expedition of the mails and the development of the science of flying I think the expenditure has been fully justified, abundantly justified.

In the first place, we have established a corps of young bird-men who are an honor to the country. We have in this service a perfectly splendid class of young flyers who are very greatly devoted to their work. The record of the service is a remarkable one, a record of flying in all kinds of weather, entirely across the continent, a considerable portion of the way at very high altitudes and in regions subject to sudden and very severe storms. That service has been carried on without a single fatal accident and with but very few serious accidents. The service crosses a portion of my State, having an average altitude of about 6,500 feet and in a region which in the neighborhood of the mountains is subject to very sudden and severe storms. I have noted the service in that region particularly. It has been extraordinarily successful. The men have been courageous and daring and at the same time have exercised care and shown excellent judgment. They have carried the mails with very few accidents and with safety. The men in the service are anxious to try night flying. Both from the standpoint of the mail service and from the standpoint of national defense it is highly important that we shall have further experiments in night flying. No service that we could establish would, in my opinion, do so much to develop this class of flying, to work out its problems, as the air mail service. This service has been abundantly justified. It has been economically conducted; it has to a degree well worth while expedited the mails; but it will do very much more both in expediting the carrying of the mail and in the development of this science of flying if we can have experiments in night flying. [Applause.]

Mr. SLEMP. I yield seven minutes to the gentleman from Minnesota [Mr. STEENERSON] and the gentleman from Colorado [Mr. TAYLOR] yields eight minutes to him.

The CHAIRMAN. The gentleman from Minnesota [Mr. STEENERSON] is recognized for 15 minutes.

Mr. STEENERSON. Mr. Chairman, I join in congratulating the Postmaster General, and the administration, and the country upon the good financial showing of the Post Office Department. When this administration came into power, when the fiscal year ended in June, 1921, it looked rather discouraging, because of the enormous difference between postal receipts and expenditures; but when it was noted that \$76,000,000 of the disbursements for the preceding year were due to back pay to railroads, it put another aspect upon the case. The Interstate Commerce Commission under the law of 1916 had readjusted the rate of railway-mail pay so as to be retroactive to 1916, and that increase of \$76,000,000 all came in one lump and had to be paid. The department reports that the deficit for the past fiscal year was about \$60,000,000, a reduction of \$20,000,000 from what it was a year ago, and the prospects are favorable for the accomplishment of that much to be desired result within a year or two of having this service self-sustaining. It is therefore well for the committee and the House to consider this question of finance and the sources of revenue if we are eventually to reach a self-sustaining position.

There are at present two measures pending before the Post Office Committee which would materially affect the revenues, and in favor of each one of these measures there is an organized propaganda of the most sinister character. One of these measures seeks to reduce the rate of postage on second-class mail matter, which would probably result in decreasing the revenues several millions per year.

Mr. HARDY of Colorado. Nine or ten million dollars a year.

Mr. STEENERSON. I stand corrected by the gentleman from Colorado. The other measure is for the so-called 1-cent

drop-letter postage. That is sponsored by the One Cent Postal League. Fortunately, however, these two propagandas are antagonistic, so that one may to a certain extent counteract the other.

The main argument proposed by the second-class people is that the present second-class postage rate was the result of war-revenue taxation, and that they are paying part of the expenses of the war in the postage they pay. You would be surprised to see the names attached to the letters coming to members of the committee making that assertion. Now, the truth is that when the postage rates generally were raised it happened to be done in the revenue bill of 1917 reported by the Ways and Means Committee. The first part of that act provided for 1 cent additional postage on first-class letter mail and 1 cent extra on post cards, or 50 per cent increase on letters and 100 per cent increase on post cards.

Mr. ANDREWS of Nebraska. Will the gentleman yield for a question at this point?

Mr. STEENERSON. I would prefer to yield a little later. The last clause of the postage paragraph of the act, however, stated that the Postmaster General should estimate each month the amount of extra revenue so derived from first-class mail, and that the amount of that estimated additional revenue should be paid into the general fund of the Treasury, presumably to help defray the expenses of the war. But there never was one cent of the increased second-class rates paid into the Treasury for that purpose, nor did the law contemplate it. Therefore it is false to assert that second-class postage was imposed for the purpose of paying the expenses of the war.

The facts were that according to the figures of the department the cost of second-class mail was determined at 8 cents a pound and they were paying 1 cent a pound. So, according to these figures, the publishers availing themselves of the second-class mail privilege were paying one-eighth of the cost of handling and transporting their mail matter. Now the war revenue act increased the rate, so that on the reading matter contained in second-class mail it should be 1½ cents per pound flat for any distance, and zone rates were applied to the advertising part, and that took effect in four annual increases, the last one in 1921, of which they are now complaining and which they want to repeal. The whole controversy, therefore, involves the rate on advertising matter. That is the bill that is before the committee. The increases have taken effect and been enforced, and we are receiving something like \$25,000,000 instead of \$11,000,000, which we received at 1 cent a pound.

The argument has been made very strongly that the Post Office Department is losing some tonnage by reason of this high zone rate, it being 10 cents a pound to the farthest zone. I notice that the annual report of the Postmaster General says that the total weight of newspapers and periodicals carried as second-class matter during the fiscal year was 1,168,330,902 pounds, on which postage amounting to \$25,140,259.53 was collected, which was a decrease of 5.49 per cent in the weight and 1.39 per cent in postage as compared with the preceding year.

Now, mind you, they lost 5½ per cent in round numbers in weight, but they lost only 1.39 per cent in postage. That shows that the mail matter that was taken out of the mails and transported by private conveyances was such mail as can be most cheaply transported. They have that privilege. The transportation of second-class matter is not a Government monopoly. Anybody can and does transport it, and they have availed themselves of that privilege where there was a long haul like that across the continent, where they could ship in bulk or carload lots and haul it just as cheaply as they can haul coal or wood. That is the kind of mail matter that they have taken out and sent by a cheap method of transportation. That accounts for the fact that the loss of revenue was one-fourth of what the revenue was for other matter on an average as shown by those figures.

Mr. YOUNG. Will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. YOUNG. Does the Government make or lose money on second-class mail matter at the present rate?

Mr. STEENERSON. They lose about \$30,000,000, according to my best judgment. This last year, I should say, more than one-half—they still pay about 50 per cent of the expense—not of the advertising part, but taking all the second-class mail together. The figures here are interesting for another reason.

Mr. HARDY of Colorado. Will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. HARDY of Colorado. The gentleman might explain something about the proportion of second-class mail as to the total volume of mail, and the amount paid by second-class mail in its relationship to the cost of the Postal Service.

Mr. STEENERSON. I would be glad if the gentleman would state it.

Mr. HARDY of Colorado. It is generally conceded that at least 20 per cent of the service of the Post Office Department might properly be charged to second-class matter. This includes the handling and the hauling and transportation of mails over the railroads and rural routes and the distribution and delivery everywhere. Last year it cost \$576,913,433 to run the Post Office Department. If second-class mail paid its proportion of the cost in running the Post Office Department, it might be charged with something more than \$100,000,000. As a matter of fact, during the past fiscal year the receipts from second-class postage amounted to a total of \$25,140,259, which, you see, is only about 4.35 per cent of the total expenditures by the Post Office Department.

Mr. ROUSE. What per cent was it before the additional rates were adopted?

Mr. HARDY of Colorado. Back in 1913, when the 1 cent a pound rate was charged, second-class matter paid \$9,975,348, but the cost of running the Post Office Department was much less in those days, being only \$262,220,491. So that year second class paid 3.80 per cent of the total expenditures.

In 1914 second class paid \$10,253,255, as against a total expenditure of \$284,812,980, or 3.60 per cent.

In 1918, the last year of the old flat rate, receipts from second-class postage were \$11,717,633 and the total expenditures for the Post Office Department were \$345,015,973, second class paying 3.40 per cent.

Of course, in recent years every item of cost in running the Post Office Department has been greatly increased. Because of increases in salaries alone the salary list has been recently increased \$118,000,000 a year. So, even with the advances in postal rates, second-class matter is not paying much more of its proportion of the general Post Office expenditures than it did when on the lower rate of years ago.

Mr. STEENERSON. I think those figures are important because it all depends on how expensive it is to carry the different classes of mail. You can carry second-class mail cheaper than you can first-class mail. Some part of the second-class mail is just as expensive as first-class; it depends upon the number of

packages in a pound. Some packages of second-class mail are small. Now, as I was saying, I have a circular signed by the Curtis Publishing Co., claiming that they are paying 250 to 300 per cent because of war taxes. They make more than a million a year on the service the Post Office gives them in circulating their publications—the Saturday Evening Post, Ladies' Home Journal, Country Gentleman, and many others.

Mr. William C. Edgar, of the Northwestern Miller, writes:

The special or super taxes imposed upon some 10 other industries by the war revenue bill have either been taken off altogether or materially reduced. It is certainly not fair that the publishing industry should be singled out as the sole exception and be compelled to pay special war taxes five years after the close of the war.

These are only samples of the mendacity of these letters.

The publishers first proposed an investigation of the cost of the different classes of mail, but they wanted to reduce postage first and then investigate. Congress then proposed to carry on an inquiry by the department and the Joint Postal Commission and revise rates after the inquiry, but this the publishers have strenuously opposed. They remind us of the man who was brought into court and who seemed much distressed; and when a friend tried to console him by saying that he need not worry, as he would get justice there, replied: "Yes; and that is just what I don't want."

Some of the organs of the publishers have attacked the joint commission most bitterly and unfairly for no other conceivable reason than that they probably might aid in making public the truth in regard to this matter, which they dread and which would put a stop to their sinister propaganda.

Page 60 of the Postmaster General's last annual report shows that the postage collected on the advertising portions of second-class publications averaged 3.62 cents per pound, which is a good deal less than the actual cost of the service. The average on both reading matter and advertising portions was 2.46 cents less than half of the estimated cost to the Government. Second-class publishers are subject to criticism because they are seeking to influence public opinion and Congress by false pretenses. They are not now, and never have been, subjected to "war taxes" in the form of postage, and are paying a great deal less than it costs to render them the service they receive.

Revenue, expense, and profit or loss per pound and per piece for the several classes of mail, based on weighting, in 1907.  
[From Post Office Department Annual Report, 1909.]

Class of mail.	Revenue per pound.	Expense per pound.	Profit per pound.	Loss per pound.	Pieces per pound.	Revenue per piece.	Expense per piece.	Profit per piece.	Loss per piece.
First.....	\$0.84001	\$0.40923	\$0.43078	.....	45.10	\$0.01862	\$0.01107	\$0.00755	.....
Second.....	.01143	.09235	.....	\$0.08092	4.80	.00238	.01923	.....	\$0.01685
Third.....	.12711	.14317	.....	.01605	8.56	.01485	.01672	.....	.00187
Fourth.....	.16867	.12308	.04559	.....	3.16	.05337	.03895	.01442	.....
Free congressional.....	.....	.11441	.....	.11441	1.99	.....	.05754	.....	.05754
Free departmental.....	.....	.12113	.....	.12113	5.38	.....	.02252	.....	.02252
Foreign.....	.15879	.11246	.04633	.....	10.32	.01538	.01090	.00448	.....

Mr. SLEMP. Mr. Chairman, I yield one minute to the gentleman from Texas [Mr. BUCHANAN].

Mr. BUCHANAN. Mr. Chairman, I have asked for this one minute in order to read a telegram from the governor of my State bearing upon the discussion that we had yesterday on the increase of appropriation to make topographical maps. This has reference to land in my State, as fertile and rich and fair and as productive as the sun ever shone upon. The telegram is as follows:

AUSTIN, TEX., December 29, 1922.

Congressman J. B. BUCHANAN,  
Washington, D. C.:

While it is hard to forecast what the legislature will do in regard to the appropriation to make topographic surveys of Texas rivers, yet I feel I will be safe in stating that on basis mentioned by you Texas will appropriate \$100,000.

PAT M. NEFF, Governor.

Mr. SLEMP. Mr. Chairman, I yield two minutes to the gentleman from Maryland [Mr. HILL].

Mr. HILL. Mr. Chairman and gentlemen of the committee, whether or not this Government will properly function depends upon the confidence of the citizens of this Government in their public servants. No government can continue if faith and credit is lost in the honor of its public servants.

I listened with a great deal of interest this morning to the remarks of the gentleman from Texas [Mr. BLANTON], and while I do not always agree with him I agree with what he then said, that at the present time there is too much tendency in this country for the promulgation of groundless and unfounded charges against Members of the Congress of the United States.

In the last few days I have been looking over the precedents of the House of Representatives on the question of privilege

and procedure. I think it is incumbent on the House to realize that on the dignity and faith and integrity of this body depends the proper functioning of this Government.

Back in February, 1867, Representative John Hill, of New Jersey, presented a preamble to this House which very fully and properly covers that matter, in which he stated—and the House passed the resolution with this preamble in it—that conduct of the Members in the discharge of their official duties and their integrity was of the utmost importance to the public; that that integrity ought not to be assailed except upon the gravest reasons.

The precedents of the House are full of evidences and occasions for the maintenance of the dignity of the House. Had I the time I should like to go over section 2637 of Hinds' Precedents, which deals with the rights and powers and duties and integrity of the House. The section bears out fully what the gentleman from Texas has said. Mr. Chairman, I ask unanimous consent to extend my remarks by including section 2637, volume 3, Hinds' Precedents.

The CHAIRMAN. The gentleman from Maryland asks unanimous consent to extend his remarks in the Record in the manner indicated. Is there objection?

There was no objection.  
The matter is as follows:

2637. The publication by a Member of alleged false and scandalous charges against the House and its Members, which he also reiterated in debate, was held to involve a question of privilege.

The House took action as to a Member who reiterated on the floor certain published charges against the House, although other business had intervened.

Instance wherein testimony taken before a committee and relating to the conduct of a Member was not reported to the House at once.

On July 29, 1892, Mr. Charles J. Boatner, of Louisiana, as a matter of privilege, submitted the following resolution, and demanded immediate consideration thereof, to wit:

Whereas on page 216 of a book purporting to have been written by Thomas E. Watson, of Georgia, a Member of the House of Representatives, the following charge appears:

"Drunken Members have reeled about the aisles, a disgrace to the Republic. Drunken speakers have debated grave issues on the floor, and in the midst of maudlin ramblings have been heard to ask, 'Mr. Speaker, where was I at?'; and

Whereas the publication of such charges if untrue is a grave wrong to this body, and if true the responsibility should be placed where it belongs; and

Whereas the said Watson has reiterated the same on the floor of the House: Therefore be it

*Resolved by the House,* That a committee of five Members be appointed by the Speaker to investigate and report to the House whether such charges are true; and, if untrue, whether the said Watson has violated the privileges of the House and their recommendations relative to the same; that said committee have leave to sit during the sessions of the House, to send for persons and papers, to swear witnesses, and to compel their attendance.

Mr. Thomas B. Reed, of Maine, submitted the question of order, whether the House having failed to take action respecting the remarks of Mr. Watson at the time he reiterated the charges on the floor of the House and having passed to other business, it was not now too late to hold him to account therefor.

Mr. Louis E. Atkinson, of Pennsylvania, made the further point of order that the pending business before the House was a conference report, which was itself a matter of the highest privilege.

The Speaker held that the resolution submitted by Mr. Boatner presented a question of privilege, and that whenever the Speaker is of opinion that a question of privilege is involved in a proposition he must entertain it in preference to any other business.

The Speaker also held that the pending business was the amendments of the Senate to the bill H. R. 752, and that no conference report was pending. Both points of order were overruled.

On August 8, 1892, Mr. Boatner submitted the report of the select committee authorized by the adoption of the resolution, and of which he had been made chairman.

The report stated that the committee summoned Mr. Watson and such witnesses as he indicated, and very soon the fact was developed that the charge as to drunken speakers referred to Mr. J. E. Cobb, of Alabama. The committee thereupon went on and examined testimony as to Mr. Cobb, no point of order being made that the testimony implicating a Member should first be reported to the House.

The committee concluded that the charge was a libel upon the membership, and recommended the adoption of the following resolution:

*Resolved,* That the charges made by Thomas E. Watson in his book against the House of Representatives, viz, 'that drunken Members have reeled about the aisles, a disgrace to the Republic,' and 'drunken Members have debated grave issues on the floor,' are not true and constitute an unwarranted assault upon the honor and dignity of the House, and that such publication has the unqualified disapproval of the House."

Mr. HILL. This House should be very jealous of its reputation. Any just and true attacks on the House as a whole or on its individual Members is a proper exercise of free speech, but we should, in the interest of good government, defend ourselves against unfounded charges.

Availing myself of the permission of the committee, I call especial attention to the following editorial from the Baltimore American, dealing with charges against Members of the House:

[From the Baltimore American, Saturday, December 30, 1922.]

Representative UPSHAW, of Georgia, who recently charged that the Volstead Act is being violated in high places, must have momentarily forgotten the existence of that indefatigable seeker of information, JOHN PHILIP HILL.

The charges of Mr. UPSHAW were well meant and amiable. The law was being violated by the very people who helped make it and who were supposed to help enforce it. Now, that very patently wasn't right. Accordingly Mr. UPSHAW pleaded with his erring brethren of high station to forsake their evil ways and to obey in spirit and in act the Constitution of the United States from the first sentence to the last amendment, not overlooking the last amendment but one. It was the plea of exhorter and not the warning of a detective.

But JOHN PHILIP HILL, who has a discouraging capacity for misconception, promptly misconstrued it. He will introduce a resolution, the reason for which is contained in the statement that—

"These charges are so serious a reflection on the whole membership of the House of Representatives that I am preparing and will file in a few days a resolution requiring Mr. UPSHAW to produce his evidence before the Judiciary Committee of the House, and requiring that committee, of which Mr. VOLSTEAD is chairman, to investigate Mr. UPSHAW's wholesale reflections on the integrity of the Members of Congress."

Now, Mr. UPSHAW had absolutely no intention of starting any monkey business. Mr. BLANTON let that fact be positively known yesterday.

"You know," he said to Colonel HILL, "Mr. UPSHAW is not going to give away any of his colleagues even if he knew anything." The which was a surprising statement for a tried and true prohibitionist engaged in the fight for truth and beauty to make about another tried and true prohibitionist similarly engaged. Mr. UPSHAW's concern for Volsteadism does not extend to the point of tattling. If wickedness flourishes under the dome of the Capitol, Mr. UPSHAW is willing to pray and beseech that it stop; but that's all.

These fine compunctions do not bother the rude Colonel HILL, who will try to put the matter up to Mr. VOLSTEAD, who is equipped with one of the most efficient senses of duty in all America.

The incident, with a "dry" charging liquor violations among Members of Congress, with a "wet" demanding proof, and with a "dry" backing off from furnishing proof because he is too "good a fellow" to offer it, constitutes one of the most humorous occasions in the history of what in some respects is the most amusing movement of all time.

The CHAIRMAN. The time of the gentleman from Maryland has expired. All time has expired, and the Clerk will read the bill for amendment.

The Clerk read as follows:

POST OFFICE DEPARTMENT, WASHINGTON, D. C.

SALARIES.

Office Postmaster General: Postmaster General, \$12,000; chief clerk, including \$500 as superintendent of buildings, \$4,000; private secretary, \$2,500; personnel officer or appointment clerk, \$2,000; assistant to chief clerk, \$2,000; confidential clerk to Postmaster General, \$2,000; chairman, board of inspection, \$2,000; chief inspector, \$4,000; chief clerk to chief inspector, \$2,000; purchasing agent, \$4,000; chief clerk to purchasing agent, \$2,000; solicitor, \$5,000; assistant attorneys—1 \$4,500, 1 \$3,500, 2 at \$2,750 each, 1 \$2,500, 1 \$2,000; bond examiner, \$2,500; law clerk, \$1,800; clerks—114 at \$1,800 each, 170 at \$1,600 each, 277 at \$1,400 each, 354 at \$1,200 each, 101 at \$1,000 each, 10 at \$900 each; skilled draftsmen—3 at \$1,800 each, 8 at \$1,600 each, 3 at \$1,400 each, 2 at \$1,200 each; map moulder, \$1,200; assistant map moulder, \$1,000; blue printer, \$900; assistant blue printer, \$840; telegrapher, \$1,400; typewriter repairer, \$1,200; 3 telephone switchboard operators, at \$720 each; 6 messengers in charge of mails, at \$900 each; 30 messengers, at \$840 each; 15 assistant messengers, at \$720 each; captain of the watch, \$1,200; additional to three watchmen acting as lieutenants of watchmen, at \$120 each; 34 watchmen, at \$720 each; 2 engineers, at \$1,200 each; 9 assistant engineers, at \$1,000 each; 2 blacksmiths or steam fitters, at \$1,000 each; 3 oilers, at \$840 each; 16 firemen, at \$720 each; 18 elevator conductors, at \$720 each; chief engineer, \$1,600; assistant electricians—2 at \$1,200 each, 3 at \$1,000 each; 2 dynamo tenders, at \$900 each; carpenters—1 \$1,600, 1 \$1,200, 2 at \$1,000 each; plasterer and mason, \$1,200; awning maker, \$1,000; painters—1 \$1,200, 1 \$1,000; plumbers—1 \$1,200, 1 \$1,000; laborers—foreman \$900, assistant foreman \$840, 2 at \$840 each, 78 at \$720 each, 4 at \$660 each; female laborers—1 \$540, 3 at \$500 each, 7 at \$480 each; 77 charwomen, at \$240 each; actual and necessary expenses of the purchasing agent while traveling on business of the department, \$500; in all, \$1,713,740.

Mr. DENISON. Mr. Chairman, I move to strike out the last word. The discussion of the subject of the air mail service has suggested a matter that I want to call to the attention of the committee. I want to ask particularly if the committee has ever given any consideration, in connection with the air mail service, to the subject of providing life savers for the aviators who are employed in that service?

Mr. SLEMP. I do not think that matter was presented to the committee in that form. The theory of protecting human life seems to have been that the carriers have their own planes, and they are given only two hours and a half day service and the next day two hours and a half, and then they rest.

In the meantime he would examine his plane, and no apparatus of the kind the gentleman speaks of was mentioned. I think it would be legislation that would not perhaps come under our committee.

Mr. DENISON. I think the Committee on Appropriations would have ample authority to take care of such a matter without any additional legislation. I call the attention of the chairman of the subcommittee, and the chairman of the full Committee on Appropriations as well, to the fact that there has been invented an aviator's life-saving apparatus. I know of at least one such invention, and there may be others. A gentleman in my district, Henry Morgan, of Marion, Ill., has invented a life-saving parachute, which he has presented to the Patent Office, and after their usual careful examination a patent has been issued to him. He is now making arrangements to secure patent rights in foreign countries.

This apparatus consists of a parachute which is connected by suitable supporting cords to the belt of a special suit of clothes that is made for the aviator; the parachute when folded up is attached to the back of his suit, something like a soldier's kit is attached to his back, and it does not interfere with his freedom of action; it is so manufactured and adjusted that if an emergency arises the aviator can by pulling a small spring located on his breast release the parachute, and since the parachute is permanently attached to his suit, it is bound to open as he falls and his life will be saved. Of course, it is as yet but an experiment, but the idea seems to me to be a good one. At least he has secured a patent upon it, and it has attracted a great deal of attention. It does seem to me that the Committee on Appropriations would be fully justified in making an investigation of this patent and if it seems practical these men who are doing this very important and hazardous work for the Government should be provided with every possible means of safety. A comparatively small appropriation would equip every mail aviator with one of these life-saving suits. If they would save one man's life the expense would be fully justified.

Mr. SLEMP. I would think that the Second Assistant Postmaster General would have the right to purchase that now under the item of supplies.

Mr. DENISON. I think he would if the committee would give him a sufficient amount.

Mr. SLEMP. The committee has given him a surplus, so far as the Air Mail Service is concerned.

Mr. DENISON. The invention seems to me to be ingenious and practical. The aviator is provided with the parachute in its

proper place all of the time that he is in the machine, and it is so attached that when the parachute opens the strain falls on the belt of his suit; it is so placed as to not interfere with the aviator's work and can be opened instantaneously.

Mr. SLEMP. What does it cost?

Mr. DENISON. I am not able to state that, because it has not been manufactured for commercial purposes as yet.

Mr. SLEMP. There are only 40 pilots in the Air Mail Service, and if one knew what the cost was it would be easily figured.

Mr. DENISON. The inventor, Mr. Morgan, told me that he had not as yet made arrangements for the manufacture, having only recently obtained the patent; but it would seem to me that not only the Post Office Department but the Army and the Navy Departments ought to investigate this subject and provide for the manufacture of at least enough of these life-saving suits to equip every aviator in the Government service.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that he may have one minute more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLANTON. I want to ask the gentleman if there has ever been an accident where the aviator has been separated from his machine while in the air?

Mr. DENISON. I am sure there has been. The former mayor of New York City, Mr. Mitchel, during the war was completely separated from his machine when the machine fell. He was found some distance from the machine. It is a very easy matter for the aviator to disengage himself from the machine, unless, of course, he happens to be strapped to it.

Mr. BLANTON. Is it possible for every aviator in the air to separate himself at will from the machine?

Mr. DENISON. I do not say that it is in every instance, but where the aviator sees that he can not prevent a crash he can, I think, in most instances jump from the machine and disengage himself, and by operating this little spring attached to the breast of his suit, which is always accessible and which he could reach even while falling, he would in all probability be able to save his life. If that can be done, it seems to me that the Committee on Appropriations ought to make a sufficient appropriation for the Second Assistant Postmaster General to provide this apparatus for every man in the Government mail service. I am sure the Government could easily make satisfactory arrangements with the inventor and could itself manufacture enough of these life-saving suits for all Government aviators, and, too, at a very small cost. I hope the committee will at least investigate this subject before the next appropriation bill is reported.

Mr. STEENERSON. Mr. Chairman, I rise in opposition to the pro forma amendment. Awhile ago I was about to speak of another propaganda being carried on—that is, the so-called 1-cent "drop" letter proposition—that might adversely affect the revenues of the Post Office Department. Many such propaganda letters have been mailed by Members of Congress to me requesting me to answer. In these letters it is alleged that it costs one-quarter of a cent to distribute drop letters. That is a misrepresentation. It is a false representation when applied to this bill or to this proposition. In order that the gentlemen may appreciate that, I call their attention to the meaning of "drop" letters in the Postal Laws and Regulations. A drop letter as described in the Postal Laws and Regulations is a letter mailed for local delivery at a post office not having city delivery service—in other words, the mailer of the letter drops it in the post office and the addressee calls at the post office for the mail. Such letters are mailed at the rate of 1 cent per ounce when sealed. But as it is proposed they want to apply 1-cent postage to letters to be delivered within the delivery jurisdiction of the particular post office where it is mailed. In other words, take, for instance, the city of Boston, with a postal district of something like 20 miles, with half a dozen cities in it. There a drop letter under this proposed law would be collected by the mail carriers and delivered to the post office, placed on the facing table, and go through 12 or 13 different operations before it reached the addressee. Brooklyn is part of the City of New York, yet it has a separate post office. The people in that town under the new law would have to pay 2 cents, whereas all the rest of the city would pay 1 cent for their local letters. A great many similar illustrations could be found. The result would be that 1-cent rates would be forced for all, which would involve a deficit of \$150,000,000 to be imposed upon the taxpayers. Any man who assumes that that work of collecting and delivering that sort of mail can be done for one-quarter of a cent each, as alleged, does not know what he is

talking about or else he is willfully misrepresenting. It will cost more than 1 cent.

There is no profit now in the third-class mail, which consists largely of circulars or 1-cent letters. The Government has no monopoly of that kind of matter. There used to be a large number of companies delivering circulars that could have been mailed at 1-cent postage, but in late years they have quit, because they could not do it at a profit of 1 cent each. Hence all of these companies have gone out of business and it has been turned over to the Post Office.

The large stores, banks, and other large users of the mail have found that in most cases it costs more than 2 cents to deliver letters in their respective cities, and hence they now pay 2 cents postage. This "drop-letter" scheme would save them millions and would cost the Government more than thirty million per year at least. Here is the estimate of the Third Assistant Postmaster General:

POST OFFICE DEPARTMENT,  
THIRD ASSISTANT POSTMASTER GENERAL,  
Washington, December 28, 1922.

Hon. HALVOR STEENERSON,  
Chairman Committee on the Post Office and Post Roads,  
House of Representatives, Washington, D. C.

MY DEAR MR. STEENERSON: Referring to your inquiry as to what the decrease of postal revenue would be if the 1-cent drop-letter rate should be extended to letters deposited for local delivery at post offices having city or village letter carrier service, or for delivery by rural or star-route carriers to patrons of the office of mailing, to which the rate of 2 cents an ounce or fraction thereof is now applicable, I have to say that there are no recent data available on which to base an estimate with respect to the effect of such change under existing conditions.

However, as stated in the letter of the department addressed to you under date of October 27, 1919, it was estimated that, using the postal revenues for the fiscal year ended June 30, 1919, as a basis, there would have been a decrease in the revenues of approximately \$28,000,000 if all drop letters had been subject to postage at the rate of 1 cent an ounce or fraction thereof during that year. If the postage from drop letters increased since the fiscal year 1919 in the same proportion as the postal revenues as a whole, the estimated decrease in revenue for the fiscal year ended June 30, 1922, would have been approximately \$31,000,000 had the 1-cent drop-letter rate been uniformly applicable during that year.

Sincerely yours,

W. IRVING GLOVER,  
Third Assistant Postmaster General.

If these two legislative proposals should go through it would increase the postal deficit by at least \$60,000,000, and in this way the Committee on the Post Office and Post Roads has contributed a good deal to the desired end of making the Postal Service self-sustaining.

Mr. FESS. Will the gentleman yield?

Mr. STEENERSON. I will yield to the gentleman from Ohio.

Mr. FESS. The gentleman is discussing a subject on which there seems to be some propaganda, is there not?

Mr. STEENERSON. Yes; I am sure, and that is the reason I am discussing it. I think the gentleman himself and many other Congressmen have sent me letters they have received from these organizations, one from the One-cent Postal League and the second-class matter people. These letters asked for my views on the subject, and I am trying to give them now.

Mr. FESS. The gentleman interrupting the gentleman sent him a letter with the request that we may have the information.

Mr. STEENERSON. I thank the gentleman. I have had figured out the number of operations involved in handling this kind of mail matter—that is, letters addressed to office of mailing as distinguished from drop letters—and I find it amounts to from 9 to 12 different operations before it gets to the addressee, as compared with but two operations when it is a drop letter within the meaning of the law. It is simply taking it out of the box inside of the rail at the post office and handing it out to the person calling for it or putting it in his box. That is the drop operation; there is no transportation involved, only two handlings; and that is the reason that that was limited to offices where there is no city delivery and no carriers. Whenever a post office gets rural delivery you must put 2 cents on your rural-delivery letter.

OPERATIONS OR HANDLINGS INVOLVED IN THE COLLECTION AND DELIVERY OF LETTERS FOR LOCAL DELIVERY AT POST OFFICES HAVING CITY DELIVERY SERVICE.

1. Collection from street letter box by letter carrier or collector.
2. Transportation to post office by letter carrier or collector.
3. Facing for postmarking after having been dumped on dumping table.
4. Postmarking and cancellation of stamps.
5. Separating city mail from outgoing mail.
6. Distribution by clerks to letter-carrier routes.
7. Routing or arranging for delivery by carriers before leaving post office.
8. Transportation by carriers from post office to routes. (By foot, street car, or trucks.)

## 9. Delivery to house or office of addressee by carrier.

The above shows the process of handling letters when the collection of the letter and the delivery is within the territory of the same post office (main office) or station.

When letters are collected from the territory of the main office or one of its stations and intended for delivery in the territory of another station three additional handlings are involved, and the processes are as follows:

1. Collection from street letter box by letter carrier or collector.
2. Transportation to post office by letter carrier or collector.
3. Facing for postmarking after having been dumped on dumping table.
4. Postmarking and cancellation of stamps.
5. Separating city mail from outgoing mail.
6. Distribution to station.
7. Tying out packages of letters for dispatch to station.
8. Transportation to station.
9. Distribution by clerks to letter-carrier routes.
10. Routing or arranging for delivery by carriers before leaving post office.
11. Transportation by carriers from post office to routes. (By foot, street car, or trucks.)
12. Delivery to house or office of addressee by carrier.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FESS. I ask unanimous consent that the gentleman may proceed for five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio? [After a pause.] The Chair hears none.

Mr. STEENERSON. At Rockville, Md., for instance, a man who wants to mail a letter can do so under the drop-letter law because there are no letter carriers. Consequently he drops it himself in the drop in the post office, where it is put in the box that belongs to the addressee or in general-delivery box and handed to the person who calls for it, and that does not take any expense hardly at all. It may be possible that it could be done for a quarter of a cent per letter, but this proposition here involves an expense that certainly exceeds 1 cent. It is about the same as a letter destined for outside offices. Now, the investigation that was made in 1907, which is published in the annual report of the Postmaster General in 1909, gives the cost of each class of mail, states the work necessary, and shows that first-class mail matter costs the Government 50 cents a pound, and that the revenue therefrom is 84 cents a pound, estimating 45 letters to a pound, and most of them carry 2 cents, some of them, on account of the drop-letter business, carry 1, but an average of 84 cents per pound. If you cut the postage on first-class mail in two you will have 42 cents a pound. Now, when it cost 50 cents a pound to handle that class of mail and you only receive 42, you lose 8 cents a pound on all of those.

Mr. FESS. If the gentleman will yield further, what has led to the strength of the statement that if you decrease the postage you will increase the business and thereby make money?

Mr. STEENERSON. Well, that reminds me of the old joke that used to be told about the clothier who said, "Well, I can sell this coat for \$30, although it cost me \$35, and I can do so because I sell so many." That is what the Government would do; if it did a large business it would lose 8 cents a pound, and the more business it does the worse off it would be.

Since 1907, when cost was ascertained, clerk and carrier pay has more than doubled, so that the cost figures I gave are below what it is to-day, while the revenue is the same.

Mr. LOWREY. Will the gentleman yield?

Mr. STEENERSON. I will.

Mr. LOWREY. Perhaps I ought to know, but I do not, but is there any provision in this bill that makes either of the changes the gentleman is discussing? Does this bill propose—

Mr. STEENERSON. This appropriation bill? Not at all. I am discussing it because it bears on the revenue to be received from mail matter, which is an important thing when you consider appropriations. Now, I was discussing the result when you take off one-half the postage you lose 8 cents a pound. Another result would be that there would be practically no circular mail for delivery within the office. You would, of course, not send a circular for 1 cent if you could get first-class service. The first-class mail is always given special expedition, and they would dump all this circular mail in the cities that have local delivery within the postal district into the first class and you would have to employ thousands of extra mail clerks. Another thing: You would have to distinguish between that mail which goes out in two classes, which you would not otherwise do. It would dump all of this circular mail into the first-class channels. It would be very much the same as if it were first-class mail, or nearly the same.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. STEENERSON. I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. ANDREWS of Nebraska. Mr. Chairman, I move to strike out the last two words. I wish to have the attention of the chairman for a moment. What will the deficiency for the fiscal year 1924 in the Post Office Department probably be?

Mr. SLEMP. Of course that depends upon the receipts next year. If the receipts next year are 9 per cent greater than this year and the service is conducted under the appropriations outlined in this bill there will be \$1,000,000 surplus next year.

Mr. ANDREWS of Nebraska. What is the deficiency this year?

Mr. SLEMP. Thirty-one million dollars, under the supposition that the increase of receipts this fiscal year over those of the last fiscal year will be 9 per cent and that the department will be able to conduct its affairs approximately upon the appropriation made last year.

Mr. ANDREWS of Nebraska. Then we have approximately a \$31,000,000 deficiency for the current fiscal year?

Mr. SLEMP. That is correct.

Mr. ANDREWS of Nebraska. That will be paid out of the general fund of the Treasury?

Mr. SLEMP. That is correct.

Mr. ANDREWS of Nebraska. Mr. Chairman, at this point I wish to invite attention to a question of revenue legislation for the Postal Service in comparison with the appropriations and expenditures of that service. Thus far I have failed to find any valid reason for conducting a Postal Service and making a considerable portion of the payment for that service out of the general fund of the Treasury. Occasionally there has been a small surplus. Former Postmaster General Hitchcock had the surgeons perform an operation for appendicitis, and thus separated the Postal Department from the general fund of the Treasury for one year. Considerable comment ran upon that point. Occasionally there may have been subsequent operations for appendicitis to eliminate the Postal Service from the general fund of the Treasury. I want to suggest to the Committee on the Post Office and Post Roads the advisability of bringing in revenue legislation that will make the Post Office Department absolutely self-sustaining every year.

Why should we be gathering in funds from customs, from income taxes, and from the general funds of the Treasury to pay a deficiency for the Postal Service? I believe that a brief reflection will show the advisability of drafting revenue legislation so that every branch of the Postal Service will be self-sustaining, and especially that the service as a whole will have a small surplus rather than an increasing deficiency from year to year.

Mr. STEENERSON. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of Nebraska. Yes.

Mr. STEENERSON. The purpose which the gentleman has in mind is the purpose that the Committee on the Post Office and Post Roads has had in mind for a long time. Of course, the only revenue we get in the Postal Service is from postage, and we do not like to attempt to increase the postage derived from any particular kind of mail without investigation, and therefore we have ordered an investigation of the amount of revenue derived from each class of mail. When we get that information we may have a basis upon which to act. If the revenues are not behind next year it will not be necessary to make any increase of postage, but we are trying to prevent these raiders on the Post Office Department that I have mentioned heretofore from getting their work in.

Mr. ANDREWS of Nebraska. I am in sympathy with the gentleman's purpose to stop the raiding.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of Nebraska. Yes.

Mr. FESS. I think the gentleman has made a valuable observation. It is a form of subsidy, is it not?

Mr. ANDREWS of Nebraska. No. We are simply doing business through a Government department that is advertised to be self-sustaining and then paying a deficiency out of the general funds. If that is what the Senator means, I agree with him, but I am opposed to subsidies, as you are aware.

Mr. FESS. There is not any way of amending it except by either increasing the revenues or decreasing the cost. That is why I used the term "subsidy."

Mr. ANDREWS of Nebraska. I am very grateful for the Senator's observation. [Applause.]

Now, in reply to the statement of the gentleman from Minnesota [Mr. STEENERSON], the chairman of the Committee on the Post Office and Post Roads, for 25 years and more we have been debating the question of a quarter of a cent or an eighth of a cent on this class of postage and then on that.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. ANDREWS of Nebraska. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ANDREWS of Nebraska. In all these years we have failed to bring out any practical result from the investigation. Why, these investigations have been just like the investigations carried on by the Civil Service Commission, investigate for two months and do nothing. If it takes them two months to accomplish nothing by an investigation, how long will it take them to accomplish something? [Laughter.]

Mr. BLACK. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of Nebraska. Yes.

Mr. BLACK. I do not want to take up the gentleman's time, but he is discussing a very interesting subject, and perhaps we can prolong it.

Mr. ANDREWS of Nebraska. Yes; maybe I can have a little more time.

Mr. BLACK. I will try to get more time for the gentleman. The gentleman minimizes the importance of these investigations. He is inaccurate as to the value of the postal investigations.

Formerly we had a commission headed by the present Secretary of State, Mr. Hughes, which looked into the cost of carrying second-class mail matter, and some very valuable information was developed; information which has been used by the Committee on the Post Office and Post Roads in sitting down to the consideration of bills like that introduced by the gentleman from Ohio [Mr. FESS] and that introduced by the gentleman from Pennsylvania [Mr. KELLY], seeking to reduce the rates on second-class matter, which is now being carried at a loss, and which would be carried at a much greater loss if those two bills had passed. Now—

Mr. ANDREWS of Nebraska. The gentleman is reducing my time.

Mr. BLACK. I will try to get more for the gentleman. I just want to emphasize this point: That the facts developed by the Hughes Commission have been very valuable in dealing with this second-class postage question.

Mr. ANDREWS of Nebraska. I am very glad to have that statement, Mr. Chairman, but I am still wondering where it is reflected in actual revenues to the department, to eliminate this deficiency and give us an effective operation for appendicitis.

Mr. STEENERSON. It raised the revenue from \$11,000,000 to \$25,000,000.

Mr. ANDREWS of Nebraska. That is good news, but still you have a \$31,000,000 deficiency. We can point to an increase here and there from year to year. For 25 years we have had an increase here and an increase there, but in the round-up as a rule you have had a deficiency.

Mr. STEENERSON. But we have had to increase the compensation of the employees.

Mr. ANDREWS of Nebraska. Yes; but why did you not increase the revenues to meet it? That is what McAdoo did in regard to the railroad proposition. He increased the wages of the railroad employees and then failed to raise the rates to bring in the money necessary to pay the wages and the salaries. There is the story. I believe the fundamental defect in most of the postal legislation is a failure to enact a law to bring into the Treasury a sufficient amount of money to pay the running expenses of the department, and that is the point I want to emphasize to-day. If the gentleman from Minnesota, who is the chairman of the Committee on the Post Office and Post Roads, with all the wisdom and light that he has shed upon these great problems in years gone by—and, of course, he will return in due time—if the great giant of the North and West would stand here and lead America out to a self-sustaining Postal Service, we shall welcome his return here to the House of Representatives with the utmost cordiality. [Applause.]

According to this official table of receipts and disbursements the Post Office Department has been self-supporting only 7 years within a period of 64 years. The deficiencies have varied for the most part from \$1,000,000 to \$19,000,000 a year, making a total of approximately \$340,000,000 for 57 years. That amount has been drawn from the general fund which is intended to care for all the expenses of the Government outside the Post Office Department. We should cease saying that the Post Office Department is self-sustaining until these deficiencies are

wiped out. Mr. Chairman, I respectfully urge the imperative necessity of legislation that will secure for the postal fund adequate resources to pay the total expenses of that department. Until that is done the appropriations for the Post Office Department should be reduced at least to the point of self-support.

Mr. KELLY of Pennsylvania. Mr. Chairman, I rise to oppose the pro forma amendment. We have been hearing a great deal about the question of a self-supporting Postal Service. I have always been in favor of that and am in favor of it now. Yet, as my friend from Texas [Mr. BLACK] has said, I have introduced a measure to cut down the second-class postal rates fixed by the war-revenue act of 1917. That war-revenue act came in from the Ways and Means Committee, and not from the Post Office Committee. It put an increase of some 500 per cent upon the rates for second-class mail. It provided for a zone system, dividing the country into eight zones and imposing a rate of 10 cents a pound to the eighth zone. That is the rate fixed on the advertising matter, and putting it altogether, half reading and half advertising, makes an increase of about 500 per cent. I introduced a bill to reduce it by half—in other words, to make the rates half that fixed in that law. We have had hearings before the committee and the committee has postponed action until the postal commission, which we have heard so much about, can report, which is a most indefinite matter. Now, I contend the reduction of second-class rates does not necessarily mean a reduction in revenues. It may mean an increase in receipts. I showed before the committee that last year, while these high rates were in operation in one city alone, there were 80,000,000 pounds of second-class matter taken out of the mails and transported otherwise, and in New York there was a great loss. It ran to a very high figure for the second-class mail matter which was taken out, because the postal rate is twice as high as the express rate and the freight rate is scarcely to be compared to the postal rate.

Mr. DOWELL. Will the gentleman yield for a question?

Mr. KELLY of Pennsylvania. Yes.

Mr. DOWELL. I should like to inquire with reference to the bill the gentleman refers to. What prospect is there of that bill coming before the House?

Mr. KELLY of Pennsylvania. I am sorry to say that the Post Office Committee have postponed action until the Postal Commission shall report, and I fear it never will report. The Postal Commission has been working for the last two years and has not found any facts about the cost of transporting this class of mail, and is not going to find out anything, you may be sure, during the life of that commission.

But my point is that this action should be taken as a business matter. The gentleman from Minnesota talks about the man who sold suits of clothes below cost and could sell them so because he sold so many of them. That may be jocular, but that is not the problem here. The problem is that we have a fixed expense. We have a certain overhead, and if we handle more second-class mail it does not mean that there is going to be any additional overhead. If we cut out all the second-class mail, it does not mean that there is going to be any great cutting down of the overhead. We are not going to reduce greatly the number of postmasters or clerks or carriers if we take out every pound of second-class mail matter.

Just think for a moment. That 80,000,000 pounds of second-class matter means 1,900 carloads of 42,000 pounds each. To get one of these loaded cars to the fourth zone costs the Post Office Department \$221, but the publisher pays \$1,361 at present rates. The 1,900 cars cost the Post Office Department \$419,900, but the publishers must pay the immense sum of \$2,593,500.

This same mail matter can be sent to the fourth zone by express for 1½ cents a pound, or at a total cost of \$1,200,000. There is a clear saving to the users of the express company over the Postal Service of more than \$1,300,000.

But the outstanding fact is that the present postal rates on second-class matter mean a profit in transportation costs on this amount to the fourth zone of more than \$2,000,000. Every dollar of that possible profit was lost to the department because the excessive rates made it folly to use the Postal Service.

It was said that there would be an expense in distribution. I admit that there is a great expense in distribution above transportation cost, but I maintain that the fact that this mail matter has to be distributed does not add materially to the total cost of the service and that taking it out does not decrease the cost to any great degree. It is a question of increasing the revenue. The overhead is there, and if you can bring the volume of business up to the full capacity, you do not add to the expense any more than you add to the expense of a water company or of a railroad company which already has complete equipment. It does not add much to the expense to the railroad

company to run a locomotive another mile. If you have to add to the general plant to handle traffic, then you do increase the cost. Therefore it seems to me it is common sense to say that if you can get this business back where it ought to be, in the mails, you are not going to lose money, but you will make money. The fact is we have fixed these rates so high that the business is greatly decreased. There has been a decrease in only one class of mail matter in the past year, and that is second-class. There has been an increase in every other class of mail matter. The rates on second-class matter are too high to hold the business. I figure that if we cut the second-class rates in two there would be a reduction of \$9,000,000 in the revenue, on the same weight, but that would be made up again by bringing back the amount of mail matter that is now taken out. I believe that can be proven to the satisfaction of any man who really wants to go into it. So it is not really a question of losing more money the more second-class mail we carry. It is really a matter of losing money because we are taking out a profitable part of the business, and I believe that can be proven to the satisfaction of anyone who will investigate the question impartially, aside from the fundamental American policy of diffusing information through publications at low rates.

Mr. BLACK. Mr. Chairman, I used to be a member of the Committee on the Post Office and Post Roads, and while I was a member of that committee we had under consideration at two or three different times this question of rates on second-class matter. The gentleman from Pennsylvania [Mr. KELLY] makes a very ingenious argument by citing one instance of some paper published at one place and carried to the most distant zone at a good deal higher rate than express, and hence that paper is not now using the mails. We can not base conclusions upon an isolated instance of that kind. In a service of this kind we have got to picture the whole service and the whole amount of mail matter carried in order to get a true picture of the situation.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. ANDREWS of Nebraska. The gentleman from Pennsylvania [Mr. KELLY] suggested an idea that led me to the thought that his plan suggested the idea of buying an excursion ticket at reduced rates in order to pay \$50 excess to get back home.

Mr. BLACK. I thank the gentleman for the illustration. Now, the truth of the matter is that the Hughes Commission, to which I referred in reply to a statement of the gentleman from Nebraska a few moments ago, made a very exhaustive investigation of how much it cost to transport and deliver second-class mail matter; not just to take up one instance and find out how much that cost, but taking the whole amount of second-class mail matter and figuring how far the average piece of mail matter traveled and how much the average piece of second-class mail matter weighed and how many times it was handled, and figuring all of that, the commission found that the cost of transporting and delivering was 5½ cents a pound. There were certain expenses which were not allocated.

The Post Office Department, taking the Hughes Commission finding as a basis and adding to it those expenses which were not allocated, found, as the gentleman from Minnesota [Mr. STEENERSON] very correctly stated, that it cost about 8 cents a pound to carry this matter. Now, it may well be that, notwithstanding the increases in salaries of various postal employees and the increases in the salaries of postmasters, other economies have cut down the cost of this transportation and handling to where it is now less than 8 cents a pound; in fact, I am satisfied it is some less than that. But certainly no one who is informed as to the situation will contend that the present revenue that we are collecting from this source, which, I think, is something more than \$30,000,000 per annum, is equal to the cost of carrying this second-class mail matter.

Now, another thing must be remembered, and that is that all the reading matter that goes to make up the Saturday Evening Post and the Ladies Home Journal and other magazines is carried at 1½ cents to every zone. This reading matter is not regulated on the zone basis. The only thing regulated on the zone basis is the advertising matter. I think anyone will admit that when we take into consideration the fact that a page of advertising in the Saturday Evening Post costs several thousand dollars and a page in the Ladies Home Journal, in the advertising department, costs also several thousand dollars, I think all will admit that such charges are purely commercial transactions and that there is no reason why mail matter of that kind should be carried at a loss. I have no fight to make on the Saturday Evening Post or the Ladies Home Journal. They are excellent publications. I merely cite them as instances of the operation of the present law.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLACK. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RANKIN. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. RANKIN. Did I understand the gentleman to say that the zone proposition which regulates the cost of the transportation of newspapers and periodicals applies only to the advertising matter?

Mr. BLACK. Yes; it applies only to the advertising matter. The reading matter is carried at a flat rate, and to all zones the cost is the same, even to the most remote zone so far as the reading matter is concerned. It is only the advertising matter that is regulated on the zoning plan, and that is purely a commercial proposition. The gentleman from Pennsylvania [Mr. KELLY] used the same argument as has been used by the propagandist—and I am not referring to him as a propagandist but his argument is the same—which is: The publishers insist that the zone rates were a war-revenue measure, that the rates were put on the publishers to pay part of the cost of the war. The gentleman from Minnesota very pertinently remarked in his speech this afternoon that the only real war-revenue provision in the bill, as far as postal affairs were concerned, was the 1 cent added to the rate on first-class matter, and the Postmaster General was required to estimate at the end of the year the additional revenue raised by that 1 cent addition to first-class matter and pay it into the Treasury as miscellaneous receipts. Congress did not put upon him the duty to turn in the money raised from transportation of second-class matter. Why? Because everyone knew, the Ways and Means Committee knew, the Committee on the Post Office and Post Roads knew, that second-class matter was not paying the cost of its handling and therefore the Post Office Department ought to retain the revenue derived from it in its own department.

Mr. KELLY of Pennsylvania. Will the gentleman yield?

Mr. BLACK. Certainly.

Mr. KELLY of Pennsylvania. If it was not a war-revenue measure, why did the provision come from the Ways and Means Committee instead of the Post Office Committee of the House and Senate?

Mr. BLACK. It was a revenue measure. The Ways and Means Committee had in hand the matter of raising additional revenue sorely needed, and when it came to investigate the subject it found out that the Post Office Department was only receiving \$11,000,000 for the transportation of a billion pounds of second-class mail and was losing from \$60,000,000 to \$70,000,000 per annum, and the committee felt that it could not in good conscience levy on the taxpayers of the country additional taxes without making the publishers pay some part of this loss. So the Ways and Means Committee very properly provided for the present zone law. Another thing which shows clearly that it was not meant as a mere war measure is this: The law provided that the increases should go into effect in four annual increments. This was to give the publishers time and opportunity to adjust to the new rates. This very provision shows Congress meant it for no temporary affair.

Mr. GARNER. Will the gentleman yield?

Mr. BLACK. Certainly.

Mr. GARNER. I want to say to the gentleman from Pennsylvania that the Ways and Means Committee did not assume jurisdiction of the subject until the Post Office Committee themselves requested it. Let me say in that connection that the Post Office Committee had made investigations under the Postmaster General for 16 years and the Postmaster General for 16 years had recommended it. They asked us to take it into consideration in making up the war-revenue bill and we did it. Now, the publishers, in my judgment, are still failing to pay between \$40,000,000 and \$50,000,000 of what it costs the Government to transport their mail.

Mr. BLACK. The gentleman from Texas is correct when he says there was an agreement that the Ways and Means Committee should have jurisdiction. I was a member of the Post Office Committee and we agreed to it.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. BLACK. Certainly.

Mr. ANDREWS of Nebraska. In the Fifty-fourth Congress this question was emphasized again and again, and the war was simply the instrumentality that forced the condition that we could not force through the committee in Congress before.

Mr. BLACK. And should have been in operation for years before the law was finally adopted.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The Clerk read as follows:

In making readjustments under the foregoing paragraph, the salary of any clerk in any class may be fixed by the Postmaster General at \$100 below the salary fixed by law for such class and the unused portion of such salary shall be used to increase the salary of any clerk in any class entitled thereto by not more than \$100 above the salary fixed by law for such class. The Postmaster General shall assign to the several bureaus, offices, and divisions of the Post Office Department in the District of Columbia such number of the employees authorized in the foregoing paragraph as may be necessary to perform the work required therein; and he shall submit a statement showing such assignments and the number employed at the various salaries in the Budget following the estimates for salaries in the Post Office Department.

Mr. ROUSE. Mr. Chairman, I move to strike out the last word. I want to ask the chairman of the subcommittee if the Post Office Department made any request for an appropriation for ascertaining the cost of carrying the mail.

Mr. SLEMP. I will say that it was stated that that would cost the Government \$830,000 but the work had to be done between now and the 1st of next July, and so it would not come

into this bill but would have to be presented to the Appropriations Deficiency Committee inasmuch as this relates to expenditures for next year. The understanding is that they shall go to the Committee on Appropriations for a deficiency to carry on that work. They have spent \$27,000 in getting forms and getting ready to make this investigation when the money is allowed. It will be up to the other committee to provide the money.

Mr. ROUSE. Being a member of that commission, I wanted to know the facts.

Mr. Chairman, I ask unanimous consent to extend my remarks in the Record by printing the amount of expenses of that commission up to the 1st of December.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to extend his remarks in the Record in the manner indicated. Is there objection?

There was no objection.  
The matter is as follows:

Cash disbursements.

MARCH, 1922.

1922		Total.	Transportation.	Subsistence.	Salary.	General expenses.	Deposits.	Actual cost.
Mar. 15	Check 212, assistant secretary's salary, Mar. 1-15	\$150.00			\$150.00			\$150.00
23	Check 213, secretary's New York trip	200.00	\$62.51	\$57.39			\$80.10	119.90
30	Check 214, Hotel Continental (McGinty-Firmin), Mar. 28	26.30		26.30				26.30
31	Check 215, assistant secretary's salary, Mar. 15-31	150.00			150.00			150.00
31	Check 216, secretary's salary, Mar. 1-31	350.00			350.00			350.00
	Voucher 23, W. B. Richards & Co., March account	2,182.75	182.75		2,000.00			2,182.75
	Total	3,059.05	245.26	83.69	2,650.00		80.10	2,978.95

APRIL 1-JUNE 30, 1922, INCLUSIVE.

Apr. 14	Check 217, Smith & Hulse hearings, December, January, February, and March	\$219.60				\$219.60		\$219.60
15	Check 218, assistant secretary's salary, Apr. 1-15	150.00			\$150.00			150.00
29	Check 219, assistant secretary's salary, Apr. 15-30	150.00			150.00			150.00
29	Check 220, secretary's salary, Apr. 1-30	350.00			350.00			350.00
May 5	Check 221, New York trip, May 5	200.00	\$55.48	\$24.24			\$140.28	59.72
3	Check 222, Chesapeake & Potomac Telephone Co., January-February	17.35				17.35		17.35
15	Check 223, assistant secretary's salary, May 1-15	150.00			150.00			150.00
18	Check 224, Buffalo trip	500.00	225.84	230.27		4.50	39.39	460.61
18	Check 225, National Surety Co. (bond, May 25, 1922-May 25, 1923)	13.50				13.50		13.50
31	Check 226, assistant secretary's salary, May 15-31	150.00			150.00			150.00
31	Check 227, Pittsburgh, Pa., trip, stenographer, \$3; telegram, \$3.50	500.00	180.99	297.50		6.50	15.01	484.99
31	Check 228, secretary's salary, May 1-31	350.00			350.00			350.00
June 14	Check 229, Detroit Typewriter Co., 1 Corona	50.00				50.00		50.00
14	Check 230, A. Holmbee (trip Washington, committee)	262.02	136.52	125.50				262.02
15	Check 231, assistant secretary's salary, June 1-15	150.00			150.00			150.00
21	Check 232, Detroit trip, committee	600.00	161.08	314.01			124.91	475.09
30	Check 233, New York trip, committee	500.00	56.74	121.64			321.62	178.38
30	Check 234, assistant secretary's salary, June 15-30	150.00			150.00			150.00
30	Check 235, secretary's salary, June 1-30	350.00			350.00			350.00
	Voucher 24, W. B. Richards & Co., April account	2,161.93	161.93		2,000.00			2,161.93
	Voucher 25, W. B. Richards & Co., May account	2,068.06	68.06		2,000.00			2,068.06
	Voucher 26, W. B. Richards & Co., June account	2,037.78	37.78		2,000.00			2,037.78
	Total	11,080.24	1,064.42	1,113.16	7,950.00	311.45	641.21	10,439.03

JULY 1-SEPTEMBER 30, 1922, INCLUSIVE.

July 13	Check 236, P. A. McGurty, Washington trip, July 12, 1913	\$50.00	\$14.18	\$35.82				\$50.00
14	Check 237, Hotel Continental	32.50		32.50				32.50
15	Check 238, secretary, Philadelphia-New York, July 20-Aug. 4	500.00	25.06	85.25			\$389.69	110.31
15	Check 239, assistant secretary's salary, July 1-15	150.00			\$150.00			150.00
Aug. 1	Check 240, assistant secretary's salary, July 15-31	150.00			150.00			150.00
1	Check 241, secretary's salary, July 1-31	350.00			350.00			350.00
7	Check 242, A. Firmin, Washington trip, July 12-13	14.77	10.77	4.00				14.77
8	Check 243, secretary, New York trip, Aug. 9-14	500.00	25.66	55.20			419.14	80.86
11	Check 244, P. A. McGurty	184.62	38.56	125.16		\$20.90		184.62
15	Check 245, secretary and assistant secretary, New York and Atlantic City trip	500.00	65.56	111.25			323.19	176.81
15	Check 246, assistant secretary's salary, Aug. 1-15	150.00			150.00			150.00
24	Check 247, Chesapeake & Potomac Telephone Co., account to June 30	15.90				15.90		15.90
24	Check 248, P. A. McGurty, report to engineers	53.74	22.64	31.10				53.74
31	Check 249, assistant secretary's salary, Aug. 15-31	150.00			150.00			150.00
31	Check 250, secretary's salary, Aug. 1-31	350.00			350.00			350.00
Sept. 7	Check 251, Smith & Hulse	145.75				145.75		145.75
9	Check 252, J. J. Kiely (Stenerson, railroad fare)	11.89	11.89					11.89
13	Check 253, H. Stenerson (conference on tubes)	19.39	13.79	5.60				19.39
14	Check 254, secretary, New York trip	100.00	21.91	17.74			60.35	39.65
15	Check 255, assistant secretary's salary, Sept. 1-15	150.00			150.00			150.00
23	Check 256, New York trip, secretary and Schladt, Sept. 3-30	500.00	46.63	103.03			350.34	149.66
Oct. 2	Check 257, assistant secretary's salary, Sept. 15-30	150.00			150.00			150.00
2	Check 258, secretary's salary, Sept. 1-30	350.00			350.00			350.00
	Voucher 27, W. B. Richards & Co., July account	1,683.15	183.15		1,500.00			1,683.15
	Voucher 28, W. B. Richards & Co., August account	1,025.11	25.11		1,000.00			1,025.11
	Voucher 29, W. B. Richards & Co., September account	1,030.12	30.12		1,000.00			1,030.12
	Total	8,316.94	535.03	606.65	5,450.00	182.55	1,542.71	6,774.23

<sup>1</sup> Stenographer.

## Cash disbursements—Continued.

OCTOBER 1, 1922—NOVEMBER 30, 1922, INCLUSIVE.

1922		Total.	Transportation.	Subsistence.	Salary.	General expenses.	Deposits.	Actual cost.
Oct.	5	Check No. 259, secretary, trip, New York, Boston, Philadelphia.....	\$500.00	\$171.18	\$328.82			\$500.00
	5	Check No. 260, Chesapeake & Potomac Telephone Co., August account.....	9.65			\$9.65		9.65
	14	Check No. 261, assistant secretary's salary Oct. 1-15.....	150.00			\$150.00		150.00
	30	Check No. 262, secretary's salary Oct. 1-31.....	350.00			350.00		350.00
	31	Check No. 263, assistant secretary's salary Oct. 15-31.....	150.00			150.00		150.00
	31	Check No. 264, assistant secretary (clerk hire and stenographer).....	360.00				360.00	360.00
Nov.	2	Check No. 265, assistant secretary (clerk hire and stenographer).....	364.00				364.00	364.00
	15	Check No. 266, assistant secretary's salary Nov. 1-15.....	150.00			150.00		150.00
	17	Check No. 267, Pennsylvania Hotel, Nov. 11-17.....	88.47	22.42	66.05			88.47
	15	Check No. 268, secretary's salary Nov. 1-15.....	175.00			175.00		175.00
	29	Check No. 269, assistant secretary's salary Nov. 15-30.....	150.00			150.00		150.00
	29	Check No. 270, secretary's salary Nov. 15-30.....	175.00			175.00		175.00
	3	Voucher No. 30, W. B. Richards & Co., October account.....	1,026.07	26.07		1,000.00		1,026.07
Dec.	11	Voucher No. 31, W. B. Richards & Co., Nov. 1-15 account.....	512.92	12.92		500.00		512.92
		Total.....	4,161.11	232.59	394.87	2,800.00	733.65	4,161.11

## Recapitulation.

EXPENSES MARCH 1, 1922, TO NOVEMBER 30, 1922, INCLUSIVE.

	Total expenses.	Transportation.	Subsistence.	Salary.	General expenses.
Sheet No. 1, March.....	\$2,978.95	\$245.26	\$83.69	\$2,650.00	
Sheet No. 2, April, May, June.....	10,439.03	1,064.42	1,113.16	7,950.00	\$311.45
Sheet No. 3, July, August, September.....	6,774.23	535.03	606.65	5,450.00	182.55
Sheet No. 4, October, November.....	4,161.11	232.59	394.87	2,800.00	733.65
Total.....	24,353.32	2,077.30	2,198.37	18,850.00	1,227.65

Mr. CHINDBLOM. Mr. Chairman, I want to ask the chairman something about the effect of the section just read. I observe that it permits the Postmaster General to fix the salary of any clerk at \$100 below that fixed by the present law for his particular class, and as I understand it, it compels the Postmaster General in turn to raise the salary of some other clerk. Is that true?

Mr. SLEMP. That provision has been in the bill for some years. Last year on the floor of the House the language was so changed that the change would be limited to \$100. I think the gentleman from Texas [Mr. BLANTON] brought that out last year. The language this year is as it was changed last year. There are about 1,400 employees in the department on the statutory roll.

Mr. CHINDBLOM. It refers only to the employees in the District of Columbia?

Mr. SLEMP. In the Post Office Department, not in the field service. The Postmaster General, the First Assistant, and all of the assistants connected with the department say that gives them a slight leeway. Let us say a vacancy occurs in a \$1,600 place. Instead of promoting a \$1,400 man to the \$1,600 place, they can promote a \$1,400 man to a \$1,500 place, and the \$1,600 man to a \$1,700 place. That leaves a leeway, which they say is very much in the interest of the department. They wanted more, but the committee did not yield on that.

Mr. CHINDBLOM. As a matter of fact, this ought to be a part of the law on pay.

Mr. SLEMP. It will be rectified when the classification bill becomes a law.

The Clerk read as follows:

Office, First Assistant Postmaster General: First Assistant Postmaster General, \$5,000; chief clerk, \$2,500; division of post office service—superintendent \$4,000, assistant superintendent \$3,000, assistant superintendent \$2,750; division of postmasters' appointments—superintendent \$3,000, two assistant superintendents at \$2,000 each; superintendent, division of dead letters, \$2,500; chief, division of correspondence, \$2,000; in all, \$28,750.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. This morning the distinguished gentleman from Indiana [Mr. SANDERS] in his usual very incisive way twitted the House leader on the very remarkable situation that exists now in our Nation. This is the situation: On August 18 last the President of the United States appeared in this Chamber and called attention to the great profiteering in coal and mentioned that he had no legal power to stop it. He said:

I recommend immediate provision for a temporary national coal agency with needed capital to purchase, sell, and distribute coal which is carried in interstate shipments.

He also mentioned that "it would be an instrumentality of guarding the public interests against extortion where private conscience is insensible to a public need." The Congress was very responsive. That was on August 18, and almost immediately the distinguished gentleman from Massachusetts [Mr. WINSLOW], chairman of the Committee on Interstate and Foreign Commerce, probably not on his own initiative, because the legislation, I take it, was abhorrent to his ideas, but because he was chairman, brought in a bill to the House, and before the month ended passed the bill—on August 31—by an overwhelming majority, creating this Federal Fuel Distributor at an initial appropriation and cost to the Government of \$250,000.

Mr. MADDEN. Not so much as that, was it?

Mr. BLANTON. That was what was in the bill—\$250,000—when it passed the House; and giving the President the right to proclaim whenever he thought the prices were extortionate such a situation to exist, and to control it, prices and distribution. What has happened? Just what the distinguished gentleman from Indiana called our attention to this morning. Not a thing has been done. Extortion continues. Prices are not controlled. Poor people can not get coal. September has passed, October and November have passed, and this is the end of December, and we find to-day the great city of New York with a supply of coal for only 48 hours, with coal at \$16 a ton and upward. You can not get a ton of hard coal now unless you buy a ton of substitute with it, all at extortionate prices.

What could happen? I remember last winter when one of my boys was sick in college and I had to go to him to bring him home, we reached Washington at 4 o'clock in the afternoon, just 1 mile from the Pennsylvania Station, and we stayed at that one point within a mile of the depot for 12 hours trying to get the train through the snow to the depot where the people could be unloaded from the train. We were not unloaded until 4 o'clock in the morning. Suppose a snow comes like that all over this country. What could happen? Not a thing has been done, and the people all over the United States are looking to the Government. If an emergency existed in August, it existed in September, it existed in October, in November, and December; and if it was such a great emergency, why has there not been action taken?

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. MADDEN. I have just looked up the figures, and I find that the amount given to the Federal coal distributor was \$150,000.

Mr. BLANTON. Oh, yes; that was the result of a change in conference; but I said that the bill which the gentleman

brought into the House and passed embraced \$250,000, and if he will turn to the CONGRESSIONAL RECORD for August 31, 1922, he will see that it embraced \$250,000, as I say. The gentleman from Illinois [Mr. MADDEN] could have changed that in the committee before the bill was reported to the House if he had wanted to, if he had gone to the gentleman from Massachusetts and said that his committee was not going to allow them to have more than \$150,000. He could have stopped it there; but the reduction in conference was a change of administration plans, which had in contemplation the whole \$250,000. It was the joint action of the House and Senate conferees that did that, or it may have been changed by amendment.

Mr. WINSLOW. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. WINSLOW. I am sure, from my knowledge of the gentleman's frankness, that he would rather be right than otherwise.

Mr. BLANTON. Yes.

Mr. WINSLOW. It was changed in the conference.

Mr. BLANTON. That is correct. But the gentleman's bill as it was brought in called for \$250,000. There is no question about that.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. I ask unanimous consent to speak for one minute.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLANTON. The bill as passed by the House on August 31, 1922, reads as follows, which I quote from the RECORD:

There is hereby authorized to be appropriated the sum of \$250,000.

But you are getting me off the subject. That reduction of \$100,000 was an afterthought and has no relation to my present discussion, which is nonregulation of coal prices.

Mr. WINSLOW. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. WINSLOW. How does the gentleman know it was?

Mr. BLANTON. Because the administration bill as passed by the House called for \$250,000 and it was later reduced to \$150,000 in conference.

Mr. WINSLOW. The gentleman must realize that there are times in life and procedure when certain things are used for the purpose of testing out the views of people.

Mr. BLANTON. Oh, that was just one of the kind of feelers that we are having abroad now?

Mr. WINSLOW. Yes.

Mr. BLANTON. Concerning which the other distinguished gentleman from Massachusetts in another body spoke so eloquently yesterday—one of the feelers.

Mr. WINSLOW. I am not talking about the gentlemen of yesterday—

Mr. BLANTON. We feel out the House just like we feel out the foreign nations of the world?

Mr. WINSLOW. Exactly, Mr. Chairman; we have to take gentlemen like himself into consideration and give him something rather inconsequential to play with in order to get to more important things. [Laughter.]

Mr. BLANTON. The gentleman, then, is like the bureaus in the departments which when they want only \$150,000 ask for \$250,000.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SANDERS of Indiana rose.

Mr. MADDEN. Mr. Chairman, I hope that we will be able to read for a while. We have not read any of the bill, and gave gentlemen plenty of time for debate. We have not done a thing in connection with the bill, and we very much want to finish it to-day so that gentlemen can have a holiday.

Mr. SANDERS of Indiana. Does the distinguished gentleman from Illinois want the Clerk to read? If so, the gentleman from Indiana will be glad to let the Clerk read, but he was in hopes that he might make a two-minute speech.

The Clerk read as follows:

The Postmaster General is hereby authorized to pay a cash reward for any invention, suggestion, or series of suggestions for an improvement or economy in device, design, or process applicable to the Postal Service submitted by one or more employees of the Post Office Department or the Postal Service which shall be adopted for use and will clearly effect a material economy or increase efficiency, and for that purpose the sum of \$5,000 is hereby appropriated: *Provided*, That the sums so paid to employees in accordance with this act shall be in addition to their usual compensation: *Provided further*, That the total amount paid under the provisions of this act shall not exceed \$1,000 in any month or for any one invention or suggestion: *Provided further*, That no employee shall be paid a reward under this act until he has properly executed an agreement to the effect that the use by the United States of the invention, suggestion, or series of

suggestions made by him shall not form the basis of a further claim of any nature upon the United States by him, his heirs, or assigns: *Provided further*, That this appropriation shall be available for no other purpose.

Mr. RANKIN. Mr. Chairman, I have received several letters since I have been in the House from rural letter carriers to the effect that they have been unable—and I suppose are unable now—to secure leather mail pouches for carrying the mail. They inform me that they are furnished with canvas pouches, but, especially in my section of the country, where we have a good deal of rainfall in the wintertime and where it is necessary to travel horseback a good deal of that time, they say it is practically impossible at times to keep the mails dry in those canvas pouches. It occurs to me that it would not be very much more expensive to furnish, especially for use in certain seasons of the year or localities, leather pouches instead of these canvas ones. I should like to ask if that has been considered by the committee, and, if so, whether any provision is made for them in this bill?

Mr. SLEMP. Mr. Chairman, I will say that during the war it was rather difficult to get leather, and since the war, since the present Fourth Assistant Postmaster General has been in charge, they entered into a contract last year for 11,000 of these leather bags. The contract was made at a very low rate. They have been delivered along during the year, I think, to the extent of about 25 per cent of the rural free delivery carriers' force. Of course, some are used in connection with the City Delivery Service, but this year an order for 15,000 more has been given, and that is carried in next year's bill, so within a short time I think the carriers in the gentleman's section and all over the country will be very well supplied. That is in addition to the bags they had on hand before. That amounts to 25,000 in two years.

Mr. RANKIN. Is that appropriation carried in this bill?

Mr. SLEMP. Yes.

Mr. RANKIN. That is what I wanted to ask.

Mr. SLEMP. This is under the Fourth Assistant Postmaster General. That will supply about 15,000.

Mr. RANKIN. About when does the gentleman from Virginia think those 15,000 extra leather bags will be ready for distribution?

Mr. SLEMP. I will say ready for distribution some time next July, because the contract has already been executed.

Mr. RANKIN. The gentleman says there is already a supply of 11,000?

Mr. SLEMP. The order for the 11,000 has already been executed.

Mr. RANKIN. And have they been distributed?

Mr. SLEMP. Yes; ten thousand and something. Now, the department is so well pleased along the line of the gentleman's argument—it only cost about \$3 a bag, which is about one-third of what it formerly cost—they were so well pleased that a contract was given for 15,000 more. The contract for the 11,000 has been made and delivered.

Mr. RANKIN. Delivered to the department or delivered to the carriers?

Mr. SLEMP. To the department as indicated in the appropriation bill, and—

Mr. RANKIN. I am very much obliged to the gentleman, for the information, because I intended to call this proposition to the attention of the committee, but I did not want to offer an amendment unnecessarily.

Mr. SLEMP. I feel sure the department is in a position to accommodate all the carriers that need them.

Mr. RANKIN. I am glad to receive the information, because if this provision had not been made I desired to offer an amendment to take care of it. These rural carriers have a very difficult time at the very best during the cold rainy season, and it seems to me that the Government ought to at least take this precaution to add to their comfort and convenience, especially when it can be done at a nominal cost, for I am sure the canvas pouches cost practically as much as the leather ones if the figures of the gentleman from Virginia [Mr. SLEMP] are correct. Besides, the people on these routes are just as much entitled to have their mail protected from the rain as are the people in New York, where certain members of the committee are contending for a large appropriation for the maintenance of mailing tubes. The last correspondence I had with the Post Office Department about this matter they informed me that they had none of these leather pouches on hand, but I am glad to learn that they are at least making an effort to secure a supply, for I feel that they are badly needed by a great many of the men now engaged in carrying rural mail.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

For compensation to clerks and employees at first and second class post offices, including substitutes for clerks and employees absent without pay, \$107,452,600.

Mr. CHINDBLOM. Mr. Chairman, I would like to ask the chairman of the subcommittee how this amount of \$107,452,600, in line 17, page 11, for compensation of clerks and employees in first and second class post offices compares with the current appropriation?

Mr. SLEMP. One hundred and one million dollars.

Mr. CHINDBLOM. It is \$800,000 less than the Budget estimate.

Mr. SLEMP. The appropriation is \$750,000 less than the Budget estimate, but it is \$7,450,000 over this year's appropriation.

Mr. CHINDBLOM. And the committee believes it to be adequate?

Mr. SLEMP. Yes, sir.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

For allowances to third-class post offices to cover the cost of clerical services, \$4,250,000.

Mr. STEENERSON. Mr. Chairman, I offer an amendment to substitute \$4,750,000 in lieu of the amount named in the paragraph.

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STEENERSON: Page 11, line 10, strike out the figures "\$4,250,000" and insert in lieu thereof the figures "\$4,750,000."

Mr. STEENERSON. Mr. Chairman, it stands admitted, I believe, in the hearings that there is no class of employees in the Government that gives so much for their money as the clerks in the third-class post offices. They work for a very small compensation, and they work long hours.

Now, two or three years ago, or two years ago, I think, the average from this lump sum; that is, this lump sum divided by the total number of third-class post offices, was about \$450 per office. The third-class post offices have increased very greatly in number in the last few years, and if you take this total appropriation and divide it by the total number of post offices of that class you will find that it is about \$375 for each office. This money has got to be distributed by the Postmaster General in some fair way so as to meet the requirements of each office, but if you give a total so small as this it will be impossible for him to allow to many of these offices as much as they ought to have. Then you compel the postmasters to pay more and more out of their own pockets, in some cases nearly half their salary.

Mr. KELLY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. KELLY of Pennsylvania. The figure the gentleman has given is \$450. What would be the average for the clerks in the third-class offices under the amendment offered?

Mr. STEENERSON. It is not to be expected that you will have a certain figure. Some offices might have \$100 and others would have \$500.

Mr. KELLY of Pennsylvania. There is a maximum, is there not?

Mr. STEENERSON. No; there is no maximum. I get that amount by dividing the total appropriation by the total number of offices.

Mr. KELLY of Pennsylvania. There is a law now providing a maximum, as I understand, that where a postmaster's salary is \$1,000 the allowance for clerk hire is \$450 as a maximum.

Mr. STEENERSON. Yes; but in the operation of these offices there is a large fluctuation. One office may have a large business, and the minute it exceeds the business expected under a third-class office it falls into the second class, where they have civil-service employees at \$1,800, and if you lack a few hundred dollars of the amount necessary to put the office in the second class you have \$1,200 as the maximum for that office. I believe this allowance is an inadequate sum.

Mr. SLEMP. Mr. Chairman, in regard to the amendment, the appropriation for this allowance 10 years ago was \$1,330,000. Last year the appropriation was \$4,000,000. Now there is a balance on hand in the Post Office Department of \$160,000. That is to say, the department is not utilizing all of the \$4,000,000 that was appropriated for this year, but there is a balance still of \$160,000. Now, then, in addition to that we are giving an increase of \$250,000, which is 6 per cent over this year's appropriation, or about 10 per cent over this year's expenditures, or it will be perhaps 10 per cent.

Mr. KELLY of Pennsylvania. I think it is a decrease from the 1922 figures. For that year I believe it was \$4,500,000.

Mr. SLEMP. They did not use up the \$4,500,000 in 1922. In other words, in that remarkable work of the department for 1922 they kept their expenditures within the income of that year. But I am sure we are giving a 10 per cent increase in this for the coming year, an increase that will cover the demands of this part of the service, and an increase that is indorsed by the Budget and by the department.

Mr. KELLY of Pennsylvania. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Pennsylvania moves to strike out the last word.

Mr. KELLEY of Pennsylvania. I do so simply to say that anyone who is familiar with it will have to agree with what the chairman of the Committee on the Post Office and Post Roads [Mr. STEENERSON] has said, that this is one of the items that is very unscientifically calculated, to say the least. In 1920 the average allowance for clerk hire was \$433. In 1921 it was \$450, an increase of \$17. In 1922 it was \$429, and in 1923 it was \$384.

Mr. SLEMP. That was not the figure for last year.

Mr. KELLY of Pennsylvania. That surprises me, because I know there are postmasters who have endeavored in every way to secure an increase, and the Post Office Department has said they deserved it, but that they did not have the money.

Mr. STEENERSON. That is correct.

Mr. KELLY of Pennsylvania. I want to tell you what the Postmaster General has said about this proposition. Postmaster General Work, in a letter to the convention of the National League of District Postmasters, held at San Francisco, Calif., September 18, 19, and 20, 1922, said:

There seems to be an impression more or less prevalent among third-class postmasters that the administration of the Post Office Department is deliberately withholding necessary clerk hire from them. This is erroneous. The cause does not lie with the Post Office Department, but rests with Congress in its failure to make sufficient appropriation. The law itself provides that the department may grant fixed allowances for clerk hire to third-class post offices when the salaries of the postmasters have reached certain figures. These allowances would be cheerfully and readily made to the postmasters by the present administration.

The law itself, upon investigation, is also found to be unscientific and unsatisfactory, compelling an unbusinesslike method of allotting clerk hire. If a third-class postmaster needs a clerk—as the law recognizes—he should get a proper allowance when the postal receipts of his office have grown to such proportions and when his business has increased to such an extent as to warrant additional help rather than on the present basis of the postmaster's salary. Another disadvantage of the present law is the amount allowed. In many instances the sum is too small to employ a competent clerk, and as a result the postmaster must take the money given him and through long-hour service get out the mails the best he can. To correct this condition, of course, Congress should change the law and provide both a sufficient allowance as well as a generous appropriation to meet the needs of the service.

You will notice that he makes strong recommendations and says that this present system is unsatisfactory.

Mr. MADDEN. Let us get a law to change the system, then.

Mr. KELLY of Pennsylvania. I can not understand why there should be a reduction from the 1922 figures.

Mr. MADDEN. We have given them all they asked.

Mr. STEENERSON. Mr. Chairman, I disagree with the Postmaster General. We have tried that out several times, and the only way upon which to base the clerk hire is on the compensation of the postmaster, and that is based on the amount of business he does; and that is as broad as it is long.

Mr. KELLY of Pennsylvania. That has nothing to do with it. I hope the gentleman will not torpedo my argument for his amendment.

Mr. STEENERSON. I do not intend to.

Mr. KELLY of Pennsylvania. It seems to me it is a ridiculous thing that when the law states that the maximum shall be \$450 where the receipts are \$1,000, and we never come anywhere near that, and that up to \$2,200 the limit is \$1,200, and we never reach that, yet when the postmaster gets a dollar over \$2,200 he gets an \$1,800 clerk.

Mr. SLEMP. That is a criticism of the law and does not affect us here.

Mr. KELLY of Pennsylvania. It is unjust that a third-class postmaster has to go into his own pocket to pay for his clerk.

Mr. MADDEN. Mr. Chairman, I hope the amendment will not prevail, because we are in perfect accord with the Post Office Department as to the amount allowed. That is all I want to say.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The question is on the amendment offered by the gentleman from Minnesota [Mr. STEENERSON].

The question was taken; and on a division (demanded by Mr. STEENERSON) there were—ayes 2, noes 17.

Accordingly the amendment was rejected.

The Clerk read as follows:

For rent, light, and fuel for first, second, and third class post offices, \$13,276,000.

Mr. TIMBERLAKE. Mr. Chairman, I move to strike out the last word for the purpose of getting some information in regard to this appropriation. I see the Budget recommended an appropriation of \$14,500,000 for rent, light, and fuel for first, second, and third class post offices, and the appropriation agreed upon by the committee seems to be reduced to \$13,276,000.

I want to say in this connection that I have had several cases up with the department where it was desired that better quarters should be secured for post offices, and I have been met with the reply that the appropriations were not sufficient to warrant an increase in the amount of rental. Leases have expired in several instances, and suitable quarters can not be procured for the amount paid under the old lease. Yet this objection is made that they have not a sufficient amount in the appropriation to pay the additional expense of better quarters or to pay higher rental for the same quarters under a new lease.

I am glad to have the information given by the chairman, that the amount carried in this bill, according to information brought to the committee by the First Assistant Postmaster General in the hearings, would be adequate to meet all the needs of the department for increased amounts which will be required to meet the demands for additional quarters and equipment found to be necessary.

Mr. SLEMP. I should like to give the gentleman an analysis of these figures. In the first place, \$500,000 of this estimate was in anticipation of a building being completed and rented in New York City, which was not done. That is to say, the contract was not entered into. So the amount we should consider here is not \$14,500,000 but \$14,000,000. That is, the New York building never having been constructed, that \$500,000 estimate goes out.

This is one of the items where a small change was made in the figures submitted by the Budget. That is, the committee recommended \$13,276,000 instead of \$14,000,000; in other words, a decrease of \$724,000 from the estimate. This is the way we did it: The annual rate of expenditure for this year is \$11,750,000 for all the rented buildings in the Postal Service. The department will get through this year on that basis. That is the first point. The annual rate as of December 11, 1922, is \$11,600,000. That is to say, if all the buildings connected with the Postal Service could be rented next year as they are rented to-day it would cost the Government \$11,600,000. But 510 leases expire next year. The question is what allowance should be made for their renewal. Now, this year and last year give a fairly good test of what that should be. For the leases that expire next year we are allowing 100 per cent increase over present rentals, and that is 2½ per cent higher than the average of the renewals during this fiscal year. That takes care of the 510 leases that expire next year, upon the recommendation of the department that that will be sufficient.

Mr. TIMBERLAKE. The opinion of the committee is coincided in by the department, is it?

Mr. SLEMP. That was the opinion of the department. That is where we had to get our information, and there is no difference there.

Now, as to other items, there will be some new leases made between now and the 1st of July, which will operate on next year's expenses, and we treat those on a basis of 100 per cent increase also. There are also supposed to be between 200 and 300 new propositions next year—that is, extensions and entirely new propositions.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SLEMP. I should like two minutes more.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that his time be extended two minutes. Is there objection?

There was no objection.

Mr. SLEMP. Making this allowance for the 265 new leases that will be made before the 1st of July, we have given exactly what the department wants. When we get through adding all these up we have a surplus of \$714,000.

Mr. MADDEN. You will have more than that.

Mr. SLEMP. As to the Chicago office they made the mistake of charging the Van Buren Street station entirely to this appropriation. Three-sevenths of that is carried under the Second Assistant Postmaster General for the terminal, and four-sevenths here.

Mr. CHINDBLOM. A portion of that station is being used by the Railway Mail Service.

Mr. SLEMP. Yes; and they pay three-sevenths of it, so there is another item of \$300,000. So, taking the \$500,000 at New York and the \$300,000 chargeable to the Second Assistant Postmaster General, carried in another part of this bill, you get just about what the department wants. That pretty nearly accounts for the difference between the estimate and the appropriation.

Mr. MADDEN. It amounts to nearly \$1,000,000.

Mr. TIMBERLAKE. It would seem that the department should be able to care for the cases I mentioned where an increase of only about 35 or 40 per cent is asked for the new leases over the amounts paid under the old leases.

Mr. SLEMP. Yes. I do not know that it is good business to say this, but for every lease that expires next year we are allowing for a 100 per cent increase. That is the recommendation of the Post Office Department and the Budget.

Mr. CHINDBLOM. There will be cases where the increases will be much more than that.

Mr. SLEMP. Yes; 140 per cent.

Mr. CHINDBLOM. Two or three hundred per cent in some cases, because 10 years ago some places were small towns, and those towns have grown so that now rents will have to be paid at city prices.

Mr. SLEMP. We are now paying about \$500,000 for the 510 leases that expire next year and we expect to pay \$1,000,000 for the renewals. As I have said, there will be 265 renewals between now and the beginning of the next fiscal year, and the others are covered by old contracts which will remain unchanged.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment. I want just a few minutes in which to call attention to the fact that the vote just taken on the amendment offered by the distinguished gentleman from Minnesota [Mr. STEENERSON] illustrates very forcibly the strength of Samson after he recovered himself from the arms of Delilah and found his locks shorn. The gentleman from Minnesota [Mr. STEENERSON] is chairman of the great Post Office Committee. But the Committee on Appropriations has robbed him of his former power. He ought to know more than anybody else about the needs of the Postal Service and especially the needs of third-class post offices, which serve the rural population of the country. This great bill, appropriating \$584,614,191.50, is about \$6,000,000 under the estimate of the Budget. Now the gentleman from Minnesota, chairman of the Post Office Committee, who used to possess almost the same power that Samson once possessed, offers his amendment for increasing this paragraph for the third-class post-office service \$500,000. That is less than one-tenth of the surplus margin permitted by the Budget estimate, yet by a vote of 2 to 17 he was overwhelmed by the chairman of the Committee on Appropriations and the committee. Out of a membership of 435 only 19 votes can be mustered on a meritorious proposition while passing this bill embracing \$584,614,191.50.

Mr. MURPHY. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. MURPHY. I am sure the gentleman understands that there is no dispute between the gentleman from Minnesota—

Mr. BLANTON. The only dispute between the gentleman from Minnesota and the gentleman from Ohio on the subcommittee is to the recent tune of 2 to 17.

Mr. MURPHY. The dispute is between the gentleman from Minnesota and the Post Office Department as to the manner of administration.

Mr. BLANTON. Then we are to presume that the Post Office Department is not alive to the necessities of the rural post offices scattered all over the country that serve the rural population, but the gentleman from Minnesota has been home this summer, he has talked with the people who have to go one or two miles to the little post office to get their mail, and he knows something about the hardships they undergo, and he comes back fresh from those people imbued with the necessity of increasing this appropriation. But the administration sitting here in Washington whenever it thinks of the post-office service it thinks only of the magnificent buildings and five and six daily deliveries that serve the people in New York, Philadelphia, Cleveland, and other big cities in the country. Well, I thought the gentleman from Ohio would sit down; he does not longer want to ask me any further question on that point. I am with the gentleman from Minnesota on this proposition, and I hope when the power does come back to him, when his locks have grown out, he will not in a fit of anger pull the temple down about our ears. [Laughter.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

The Clerk read as follows:

For pay of letter carriers at offices already established, including substitutes for letter carriers absent without pay, City Delivery Service, \$72,200,000.

Mr. CHINDBLOM. Mr. Chairman, it is very difficult, in fact, it is almost impossible, for the Members of the House who are not members of the committees who handle these post-office matters to talk with much intelligence about them. We can judge of the conditions only by the things that we see and learn. In the city from which I come the postmaster has found it necessary to reduce the number of daily deliveries in the residential and business districts, so that the people are complaining about the service which they are getting from this department.

Mr. MADDEN. I want to say that if the gentleman is correct it is not because there is not money or men enough provided. It is because they have not administered the funds that were placed at their disposal.

Mr. CHINDBLOM. I am referring to the Chicago office.

Mr. MADDEN. I say the administration of the Postal Service have not administered the funds. It is not because they have not had the funds. We have provided the appropriation for the men. I think the gentleman is doing a great injustice to the Postal Service by his statement.

Mr. CHINDBLOM. I am not finding fault with any particular branch of the department, but I do know that the number of deliveries has been reduced.

Mr. MADDEN. I come from Chicago. I do not know about the gentleman's district, but I have had no complaint in my district. I live in the same city the gentleman comes from.

Mr. BLACK. Will the gentleman from Illinois state how many deliveries they receive now a day?

Mr. CHINDBLOM. Two in a district which is both residential and business.

Mr. BLANTON. That is a good delivery.

Mr. CHINDBLOM. That is not what they are accustomed to.

Of course, if it is going to be the policy that there shall be only two deliveries in the thickly settled districts there is no more argument to be made about it. I rose for the purpose of inquiring—and I trust there will be no objection to my making this inquiry—I rose for the purpose of making an inquiry whether anything has developed before the committee with reference to the delivery service for which we appropriate \$72,000,000. Will this amount further curtail the deliveries or is it sufficient for an increase?

Mr. SLEMP. It is enough to provide for the number of carriers estimated for by the department.

Mr. CHINDBLOM. What was the amount carried last year?

Mr. SLEMP. It is a little over 3 per cent increase, whereas it was only \$200,000 increase the year before.

Mr. CHINDBLOM. Is it a fact that the business of the post office has increased 14 per cent?

Mr. SLEMP. No; not as much as that. For the calendar year 1922, as compared with the calendar year 1921, it is about the same. The Post Office Department held back \$20,000,000 which they did not spend, and the postal revenue was about the same. For the fiscal year 1922 the increase is 4 per cent. Since the 1st of July there has been an amazing increase in receipts. That increase in the receipts has been absorbed by the Post Office Department in better organization, and that has been checked up by telegrams as late as December 16. I want to say that in 50 cities of the United States the service was being conducted up to date, even with the 20 or 25 per cent increase in postal service from 1922 to 1921, with the present force. The Post Office Department has now 462 clerks that they can appoint any time they choose from last year's money.

Mr. CHINDBLOM. Have they been distributed?

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. SLEMP. They have appointed this year something like nine hundred and some odd.

Mr. CHINDBLOM. I am obliged to the gentleman for his information, and I am not disposed to provoke any difficulty here, but I want to say to my good friend, the chairman of the Committee on Appropriations—

Mr. MADDEN. Oh, the gentleman is criticizing the administration for not delivering the mail in his district as often as they ought to have delivered it, and he presumes to say that it is because they have not been given the money with which to appoint the carriers. I want to say in reply to that that they were allowed 1,400 carriers for the United States, and they have appointed all but 482. They are still authorized to appoint 482, and they are asking for 1,400 more for 1924. We are allowing them that, and that would give them 1,882, which

they would have the right to appoint for the next fiscal year. We do not presume to administer the Post Office Department; that is for the Post Office authorities to do. All we presume to do in this bill is to say that the amount we give them is adequate to meet the needs according to the best evidence they furnish to us; and if the gentleman has any complaint to make about the service, the place to make it is in the Post Office Department. That is the answer I want to make to the gentleman.

Mr. CHINDBLOM. I will say this: When I find the post-office service has been reduced in new growing sections of a large city—not in the territory where my good friend lives, but in the territory in which I live—and I am advised by the postal authorities that it is because of lack of funds—

Mr. MADDEN. Oh, the constant statement of the postal authorities in respect to every question asked is that the reason why they do not do this, that, or the other is that they have not got the money. That is the easiest answer to make, but it is not always true.

Mr. CHINDBLOM. I am trying to satisfy myself as to the adequacy of this appropriation. I have gotten some information now that I had not received before.

Mr. MADDEN. I think the gentleman had that information during the course of the general debate, because I then answered the same questions that he is asking now.

Mr. CHINDBLOM. But we are now specifically considering the appropriation.

Mr. MADDEN. But the gentleman had that information before we reached that point.

Mr. ROUSE. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Rouse: Page 11, line 17, after the word "service," strike out the figures "\$72,200,000" and insert in lieu thereof the figures "\$67,200,000."

Mr. ROUSE. Mr. Chairman, I offer this amendment in consideration of the statement which the Postmaster General made some time ago regarding receptacles and door slots, to the effect that if receptacles and door slots were provided there would be a saving in this item of \$5,333,000. This appropriation is \$2,000,000 more than the appropriation for the current year, and allowing for the present year, and allowing for the thousand additional carriers that they expect to appoint, and the automatic promotions, this appropriation can be reduced, and in my time I ask that that portion of the Postmaster General's letter be read by the Clerk, which I send to the desk.

The CHAIRMAN. Without objection, the Clerk will read.

The Clerk read as follows:

About 35,000 carriers are engaged in the delivery of mail. The number of trips ranges from two to six, the average being about three. The average number of delivery stops on a residential route is approximately 300. It is reasonable to assume that each carrier will deliver mail to an average of 200 stops daily, and that the use of a mail receptacle will save him a quarter of a minute at each stop. On this basis the value of the additional service which may be rendered in the time saved is estimated at \$5,355,000. The use of mail receptacles in the delivery of mail is not an experiment, but experience has shown that it is an advantage to the patron, and actually effects a saving of the carrier's time, which is usable in extending service.

Mr. ROUSE. Mr. Chairman, I understand that the Postmaster General said that these receptacles must be erected before the 1st of March next, and if they are this saving can go into effect in the next fiscal year. I hope my amendment will be agreed to.

Mr. MADDEN. Mr. Chairman, of course the gentleman must be having a little fun with himself. He wants to be facetious, I presume, because I am sure that he is not serious in offering the amendment. It might well be that if all these receptacles were placed on the houses throughout the United States a saving could be made, and undoubtedly it could, but we all know that they have not been placed there.

Mr. ROUSE. Did not the Postmaster General state that 60 per cent of the houses had been so equipped?

Mr. MADDEN. I do not remember what he said.

Mr. ANDREWS of Nebraska. And the Postmaster General said that if we did not put them on the Post Office Department would not leave the mail.

Mr. MADDEN. Oh, that order has been rescinded. It does not exist any longer.

Mr. BLANTON. But it was just extended until March 1.

Mr. MADDEN. It is rescinded for the time being. Of course, everybody knows that the Postmaster General has no such power, that he could not put the order into force, that the people of the United States are entitled to their mail, that they are entitled to have it delivered to their houses, and whether the post boxes or receptacles referred to in the order of the Postmaster General are installed or not the mail will

be delivered, and there will be some authority somewhere to see to it that it is delivered if the Postmaster General declines to do so. So that I hope the gentleman's amendment will either be withdrawn or voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky.

The amendment was rejected.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I move to strike out the last word. Very unfortunately for myself, and I think the House will appreciate its loss also, I was absent from the floor for a few minutes when lines 9 and 10, on page 11, were read:

For allowances to third-class post offices to cover the cost of clerical services, \$4,250,000.

Mr. MADDEN. An amendment was offered to that to raise that amount \$500,000 and was voted down.

Mr. McLAUGHLIN of Michigan. I am very sorry that was voted down. I notice the bill carries an increase of \$250,000 over the amount provided for the current year, but in my judgment that increase is not enough. Some gentlemen remarked that we have already gone over this, but I wish to have my say about it, even if some feeble remarks have been made in respect to it before this time. In almost every third-class office it is necessary for the postmaster to have help. The Post Office Department recognizes that; in fact, requires it. It recognizes it by providing some money to be used toward the payment of such service, but it is not enough, and it is necessary in almost every office for the postmaster to go down in his clothes and make up a considerable amount of money to be paid to one or more clerks. It is not fair; it is not right. In the first place, the salary of the postmaster is fixed at a figure that does not fully compensate him for his own services, and there is not a Member present who does not often find difficulty in getting just the kind of men he would like to have serve as postmasters in the lower grades. Especially is that true in the third-class offices, where the compensation is not attractive, and where, under the present method of doing business, it is necessary for the postmaster to pay out such a large portion of his salary for clerks. I regret that I was not here to help boost this amount.

It has been in my mind a great deal. I have seen a great deal of difficulty growing out of it, embarrassing to the postmasters, embarrassing to the clerks who have to put up with less than their services are worth, embarrassing to Members of Congress, and it is not fair on the part of the Government.

Mr. MADDEN. If the gentleman will permit, there is one way to remedy that, and that is for the third-class post offices to have the salaries of clerks fixed on an annual basis. Then there will not be any further trouble about it.

Mr. McLAUGHLIN of Michigan. The postmasters do not do it; they get clerks—

Mr. MADDEN. Congress can do it.

Mr. McLAUGHLIN of Michigan. In these matters the chairman of the Committee on Appropriations has much more influence than has any other Member, and if he is unable to do it—

Mr. MADDEN. But it is a matter of legislation and it must come from the Post Office Committee. We are appropriating money under the law as it exists. If you change the law we will appropriate under that. It is not up to us at all.

Mr. McLAUGHLIN of Michigan. It seems to me that this subcommittee considering its appropriation bill could bring in some legislation and get it through in some way. It could put it across. The Committee on the Post Office and Post Roads, like all other legislative committees of the House, has been shorn of its power, unsexed—I do not know what else to call it—but why does not the Committee on Appropriations take this up if the need is recognized?

Mr. MADDEN. We do not recognize the need of it.

Mr. STEENERSON. Mr. Chairman, I think that is very unfair for the chairman of the Committee on Appropriations to say that this is a matter of legislation. It is not. The law is all right that we have—had it for many years, long before the gentleman came to Congress. The system was based upon a lump sum in proportion to the salary of the postmaster. That is the old system, and we considered it when we revised the salary schedules in 1920. We came to the conclusion that that is the fairest way. The law is the deliberate judgment of both Houses of Congress. In regard to the proposition to increase this amount a half million dollars I only got two votes in favor of it. I heard the speech of the gentleman from Texas in my favor but he was not here to vote for it.

Mr. BLANTON. Oh, the gentleman is mistaken. I did not vote against the amendment. I was right here.

Mr. STEENERSON. The gentleman did not vote at all, and I only got two votes.

Mr. BLANTON. From the gentleman's line of argument I never was able to tell exactly what his amendment meant, and the vote came before I was able to tell what he was driving at, and I only found out when it was defeated that the gentleman had offered a very meritorious proposition. With the committee's majority of 17 to 2, my vote was futile.

Mr. McLAUGHLIN of Michigan. If I had been here, the gentleman's vote would have been increased 50 per cent.

Mr. STEENERSON. I give notice that there may be opportunity to vote for this yet, because this is not final. There is a possibility I may offer a motion to recommit with an amendment containing this increase. It is the most important matter there is here. There is no fault with the law. The fault is that the appropriation is inadequate. The gentleman from Michigan has often received letters from the department when increased compensation for clerk hire is asked in these third-class offices and they say they can not give any more because Congress failed to appropriate enough. That is always the reason given.

Mr. THORPE. Mr. Chairman, as a new Member I want to make this statement. Along last spring I was talking to some postal clerks at Lincoln, Nebr., when seven were laid off, and upon investigation they were told there were not sufficient funds to carry them and pay them for their services.

Mr. STEENERSON. The gentleman is talking about some clerks we have not anything to do with. We refer to clerks in first and second class offices. These clerks in third-class offices have no fixed salary. They get \$15, \$25, and \$50 per month. Assistant Postmaster General Bartlett said that the Government never had any employees and had not now any employees who gave so much for the money received as the clerks in the small post offices, working all hours of the day and night sometimes. The gentleman from Michigan is perfectly right, and I want to make it plain, and I hope they will vote for my amendment when an opportunity arises.

Mr. BLANTON. I am with the gentleman.

Mr. STEENERSON. To move to recommit the bill in order to place this increase in?

Mr. BLANTON. Yes. But the trouble with the gentleman is that the Appropriations Committee has robbed him of all of the power he once exercised when he had appropriative power.

Mr. STEENERSON. All I can do is to make the offer, and in spite of the support of the gentleman from Texas I hope to win.

The CHAIRMAN. The time of the gentleman has expired.

The Clerk read as follows:

For village delivery service in towns and villages having post offices of the second or third class, and in communities adjacent to cities having city delivery, \$1,500,000.

Mr. FESS. Mr. Chairman, I move to change the figures at the end of the line to \$1,700,000.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. Fess: Page 11, line 26, strike out "\$1,500,000" and insert "\$1,700,000."

Mr. FESS. Mr. Chairman, I make this amendment purely pro forma in order to make an observation, and I intend to withdraw the amendment after I make that observation. This is one of the last things that has been added to the Postal Service, showing the general expansion of the service. It seems to me that there is no activity of the Government that is more nearly universal, touching every citizen and every community, as the Postal Service does, and I think there is growing up in the country a conviction that it does not matter how much is the cost, that we ought to go ahead and do it whether it is self-supporting or not. I arose because I wanted to read a letter, which is a rather classical performance, that I received to-day on the subject of the Postal Service.

The letter complains of the practice whereby when a letter does not carry sufficient postage when it is put into the mail it will not be forwarded, but will be held up for more postage, and he says that that practice causes an immense amount of inconvenience and in many cases losses. Then he makes this very remarkable suggestion, and I read the letter just to show you the trend of public thought, that the Government needs to go on and do these things, no matter whether they cost something or not. "If the Government does it, why, what is the difference? It is ours anyway." It seems to me to be along the line of a growing tendency of thought, that it does not matter whether the Government runs at a loss or not, and in the way of public utilities, if they are running at a loss, it makes no dif-

ference, because the Government is doing it. This is a classical letter, written on a typewriter. It is not a "nut" that is writing it, but it is a fellow who really believes that he is making a genuine suggestion of value. He first starts in and says, "Kindly introduce a bill into the Senate." He should say "in the House"; he forgets where I am. [Laughter.]

Mr. CHINDBLOM. He means in the next Congress. [Laughter.]

Mr. FESS. "Providing for the delivery of mail to its destination regardless of insufficient postage and the abolition of fancy red-tape methods now in use of collecting a few pennies for a benevolent Government which spends huge sums lavishly."

Then here is his suggestion, and you will note the language:

Though not having studied the matter intricately, it seems to me such a bill ought also provide a uniform charge of 1 cent for any ordinary daily newspaper (e. g., the Toledo Blade) wherever domestic rates apply, and a uniform charge of 2 cents for all sealed letters of anywhere near ordinary size and allowing for a very generous amount of overweight or overthickness; or removing postage charges entirely and restricting in other ways abuses, on the theory that letter writing and the use of the mails should be encouraged for its educational and entertainment value, assuming most letters to be welcome and a pleasure to the recipient, and representing on the part of the writer time and effort very honorably and profitably spent.

Mr. BEGG. Will the gentleman tell us what business the author of that letter is in?

Mr. FESS. I have no idea. It comes from northwestern Ohio.

Mr. BEGG. I was just wondering what kind of business he was in.

Mr. FESS. It is a typewritten letter. It is a sincere statement that the Government ought to do things, even if it is for nothing. It shows a trend of public thought.

Mr. Chairman, I withdraw my pro forma amendment.

The CHAIRMAN. The gentleman from Ohio withdraws his pro forma amendment.

Mr. HILL. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Maryland moves to strike out the last word.

Mr. HILL. I do so for the purpose of asking permission to include in my remarks made this morning a short editorial from the Baltimore American on the privileges of the House.

The CHAIRMAN. The gentleman from Maryland asks unanimous consent to extend his remarks in the Record by including the matter mentioned by him. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For the operation and maintenance of the airplane mail service between New York, N. Y., and San Francisco, Calif., via Chicago, Ill., and Omaha, Nebr., including necessary incidental expenses and employment of necessary personnel, \$1,500,000; and in addition to this sum any unexpended balance of the appropriation for this purpose for the fiscal year 1923 is reappropriated and made available for the fiscal year 1924.

Mr. STEENERSON. Mr. Chairman, this is one of the few items in the bill that exceed the Budget estimate by adding an indefinite appropriation, whatever it may be—it is not disclosed in the bill—an unexpended balance. Has the gentleman from Virginia any figures on that? How do they know there is going to be an unexpended balance?

Mr. SLEMP. I will say to the gentleman that they estimate about \$100,000 as the unexpended balance.

Mr. STEENERSON. Now I want to relate a little history concerning this air mail service. When it was first proposed to establish this service several Members of Congress from California and the mayor of San Francisco and the Second Assistant Postmaster General said it would not cost a cent, because the cost was going to be taken from the unexpended balance already appropriated for the Railway Mail Service. I said, "That is preposterous, that it will not cost anything. You can not make this committee swallow any such statement as that."

It turned out within a very few weeks or a very few months that a decision of the Interstate Commerce Commission was rendered as to the compensation of railways for carrying the mails, which created a deficit in the appropriation for the Second Assistant Postmaster General's office of \$76,000,000, which had to be paid later on; so that if they had got their bill through at that time they would not have gotten anything. They misrepresented it. There was no unexpended balance.

Now it is only January, or it will be January on Monday, and only half the fiscal year has gone by, and they solemnly asked \$1,900,000 in the last appropriation on the ground that they needed it. It was very urgent. In fact, they asked for more. Now they come in here and claim they will have an unexpended balance, six months before the end of the fiscal year, and they are going to use it for this enterprise.

Mr. SLEMP. I would like to say to the gentleman right there that they have reduced the personnel and reorganized the department—the air mail department—almost all the way through. Their supplies are not costing them so much as heretofore, and they are taking so much care of their planes that they will not cost so much, and they think they can pick up \$100,000. They propose to run this same service next year for \$1,000,000, a service that they are running for \$1,900,000 this year.

Mr. STEENERSON. This is a new enterprise that they are going to establish, and of course there may be something in it, and I shall not set my judgment up against that of the rest of the Members of the House. It is subject to a point of order, but I will not make it. But it seems to me that a rule for one should be the rule for all. If this committee is going to abide by the Budget, why not abide by it in all things?

Mr. SLEMP. I will say that I submitted that question to the Budget officer, and he approved of this language.

Mr. STEENERSON. There is no record of that. I have got to go by the record.

Mr. SLEMP. I say that for the information of the gentleman, that it was not done without the consent of the Budget officer.

Mr. TAYLOR of Colorado. Will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. TAYLOR of Colorado. The gentleman would not have the Committee on Appropriations completely abdicate and surrender all its authority and jurisdiction here, would he?

Mr. STEENERSON. That is unthinkable. The Committee on Appropriations never abdicates anything, but always grabs everything in sight. [Laughter.] That is what they have done here, and that is what the other subcommittee on appropriations did on the Indian bill. I offered a small amendment to that bill which would have saved the lives of sick people suffering up there on an Indian reservation—people who were helpless and needed assistance—and the subcommittee of the Committee on Appropriations stood here like a rock and refused to modify the language so as to make the appropriation available. Now, here we have the question of these clerks—

The CHAIRMAN (Mr. ANDREWS of Nebraska). The time of the gentleman has expired.

Mr. STEENERSON. I ask an extension of five minutes.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent that his time be extended five minutes. Is there objection?

There was no objection.

Mr. TAYLOR of Colorado. Does the gentleman observe that there is a cut from the Budget estimate of something like \$5,000,000 on the total items of this bill?

Mr. STEENERSON. I heard somebody state that. I have not compared the figures. I have no doubt it is true, but that is not conclusive to my mind. I think there might be still more cutting; but on this item that we have been considering, about third-class clerk hire, the subcommittee have been absolutely adamant against all appeals for an increase.

Mr. MURPHY. Surely the gentleman does not want us to take literally what he is saying as an absolute fact when it has been stated on the floor here that the controversy is between the gentleman's committee on the Post Office and Post Roads and the administrative department.

Mr. STEENERSON. That is an error. There is no trouble about the law.

Mr. MURPHY. It may be an error; but we do not like to have the gentleman make the statement that he has made.

Mr. STEENERSON. The gentleman ought to know; but he does not know what he is talking about.

Mr. MURPHY. He knows what the gentleman from Minnesota has said and what has been said in the hearings.

Mr. STEENERSON. I refuse to yield any more. I do not want any controversy. The chairman of the committee stated that it was the fault of the law, and that I deny. The law is the same as it has been for years. The allowance for clerk hire is based on the salary of the postmaster, and that is based on the receipts of the office, and no more fair or just or scientific basis of pay can be made. We can not make any better law than that.

The subcommittee have refused to allow a change in a single line so far. Here, however, when the air mail appropriation comes in they have violated the Budget estimate and put in perhaps \$100,000 and perhaps \$500,000 of unexpended balances before they know what the amount is. If that is good legislation, I want to know it.

Mr. ROUSE. Mr. Chairman, I move to strike out the last word. I want to ask the chairman of the subcommittee if any

part of this appropriation is to be used to pay for the erection of an airplane factory in Chicago?

Mr. SLEMP. No; not a dollar.

Mr. ROUSE. Where is the money coming from to pay for that?

Mr. SLEMP. I will say to the gentleman that that building has been erected. There was \$1,900,000 appropriated last year for this service, and they found they could conduct the service for less money than that.

Mr. ROUSE. And they have taken it out of that appropriation?

Mr. SLEMP. They have taken it out of that appropriation. It was contemplated that that surplus would be used along those lines.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

For rent, light, heat, fuel, telegraph, miscellaneous and office expenses, telephone service, and badges for railway postal clerks, and rental of space for terminal railway post offices for the distribution of mails when the furnishing of space for such distribution can not, under the Postal Laws and Regulations, properly be required of railroad companies without additional compensation, and for equipment and miscellaneous items necessary to terminal railway post offices, \$930,000.

Mr. ROUSE. Mr. Chairman, I wish to ask the chairman of the subcommittee if his committee has made any investigation of sanitary conditions in any of these terminals, and especially in Washington?

Mr. SLEMP. The committee is not in a position to make any investigation of that kind.

Mr. ROUSE. I have received some complaints regarding the sanitary conditions in the terminal here.

Mr. SLEMP. I would like to say in that connection that the Postmaster General stated in the hearing that he was acting in coordination with the Public Health Service, and that the Public Health Service cooperated with the department in bringing about the very best conditions for the physical well-being of the employees and good conditions in these terminals. I think perhaps 50 or 60 of these terminals and post offices have the public health service already installed and in operation. That is an innovation within the last three months.

Mr. ROUSE. I have had several complaints, especially one in writing which I think should be called to the attention of Members, and especially to the attention of the Superintendent of the Railway Mail Service, and I ask unanimous consent to extend my remarks in the RECORD by printing this letter.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

The letter is as follows:

WASHINGTON, D. C., December 29, 1922.

Hon. A. B. ROUSE, M. C.,  
Washington, D. C.

MY DEAR SIR: We are writing you because of our conversation we had and also because of your being a prominent member of the Post Roads Committee, and we feel that you can be of very material assistance to about 130 Railway Mail Service clerks, who certainly need and will appreciate any effort you may make on their behalf.

We desire to attract your attention to the Washington Terminal railway post office and acquaint you with its faults, failings, crowded condition, unhealthy atmosphere, location. We feel that we are well within our rights when we make and explain two contentions, viz, unhealthiness and crowded condition.

Location: In subbasement of Washington City post office, two floors below street and main floor level.

Fire hazard: Three dead walls with eight windows on one side so high up that a ladder would have to be used. One door leading to this room. One other door, which is kept constantly locked by order of supply division. This in addition to elevator.

Toilet facilities: Wholly inadequate to take care of the wants of about 130 men. Two toilets, two washbasins, one urinal. Clerks compelled to climb three flights of stairs to reach same, being so far removed from workroom that it affords a landing place for many while on duty.

Lights: Artificial lights must be used for the 24 hours, and the present arrangement which carries the "juice" to us is carrying all that the switchboard will allow. Thus the possibility of a blow-out anytime.

Insanitary conditions: Entirely too hot, bad air, poor ventilation. Floor swept at times, but the crowded condition does not permit of a thorough cleaning. Along the ceiling of this room are carried the soil pipes that carry the refuse from the city post office to the sewers. Frequently the weather affects these pipes so that they throw out a "sweat" which drops on the work in the hand and on the heads of the clerks.

We are laying a great stress on the foregoing conditions, as from the standpoint of health we can find no argument, nor has any been presented, whereby we can come to the conclusion that this is a healthy place to work in. This place was evidently built in for a storeroom or junk shop. The figures will show that during two months this year we were compelled to give out 800 sick days.

Ours is an exacting service—one of speed, accuracy, and stamina—requiring one to be in the best possible physical condition in order to perform good service. With the Post Office Department viewing the

humanizing of the service as a splendid thing, we also feel that they might be concerned with the health of their men.

Service: From the standpoint of good mail service very little can be said of the present location. We are so far below the level of the station that all mail that comes to us and mail dispatched by us must come through one lone freight elevator. Very frequently we are hampered in the use of this elevator, as we do not have the exclusive use of this elevator, it being used by the supply division, redemption division, registers, empty sacks, etc. Before this mail comes to us and after being worked it passes through the city post office and over a bridge to the station. According to season, this mounts to from 3,000 to 9,000 sacks per day. We firmly believe that the postmaster at Washington would be more than pleased were it possible for us to secure a location which would not interfere with the workings of his office.

We have just gone through a very trying Christmas mail, and had we not been given extra space from the redemption division, supply division, and the baggage room of the station, which was used for North Carolina and South Carolina and West Virginia, we would have been tied in such a knot we would not be able to extricate ourselves. Understand that this space was granted without cost.

We feel that for the health of the clerks and for the benefit of good mail service we are not now in a proper place to do justice to either. Mail increases from time to time, and along with that increase ought to come space and good conditions.

We are not unmindful of the busy days before you, but we are hopeful that you can lend some effort to securing us some relief.

Very respectfully,

The Clerk read as follows:

For pay of rural carriers, substitutes for rural carriers on annual and sick leave, clerks in charge of rural stations, and tolls and ferrage, Rural Delivery Service, and for the incidental expenses thereof, \$86,900,000.

Mr. STEENERSON. Mr. Chairman, I move to strike out the last word. I should like to ask whether the committee inquired into the matter of the sufficiency of this appropriation to extend the Rural Free Delivery Service to the new routes, or is this just enough to maintain the present routes?

Mr. SLEMP. This item is an increase of \$400,000 over the estimate submitted by the Budget officer, which was \$86,500,000. This will take care of about 600 new rural free delivery routes more than what they now have, allowing about 130 for the remainder of this fiscal year and between 400 and 500 for the next year, which will be about the normal increase.

Mr. STEENERSON. My observation has been that this administration during the past year, at least, has been very liberal in extending new service and adding new routes.

Mr. SLEMP. Every single rural free delivery application before the department that has been investigated and approved has already been granted and the route installed, and not a single one is being held up.

Mr. STEENERSON. Where there are sufficient patrons to justify it, I think the Post Office Department has done very well.

Mr. SLEMP. Every one has been put in operation where it has been investigated and approved.

Mr. STEENERSON. I am a little afraid you have not appropriated enough money for this purpose for next year.

Mr. SLEMP. We have given them \$400,000 more than they asked.

Mr. STEENERSON. Very well. I withdraw my pro forma amendment.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

The Clerk read as follows:

For the transmission of mail by pneumatic tubes or other similar devices in the city of New York, including the Borough of Brooklyn of the city of New York, at an annual rate of expenditure not in excess of \$18,500 per mile of double line of tubes, including power, labor, and all other operating expenses, \$513,911.50: *Provided*, That the provisions not inconsistent herewith of the acts of April 21, 1902, and May 27, 1908, relating to the transmission of mail by pneumatic tubes or other similar devices, shall be applicable hereto.

Mr. ROUSE. Mr. Chairman, I make the point of order against the section on the ground that it is not authorized by law and that it is legislation on an appropriation bill.

Mr. BLANTON. And I make the additional point of order that it provides special legislation on an appropriation bill.

Mr. MADDEN. The authority for this is granted under the laws of April 21, 1902, and May 27, 1908, relating to the transportation of mail by pneumatic tubes or other similar devices. These tubes were installed under the authority of those acts. We looked it up very carefully because I will say to the gentleman from Kentucky that some of us were not very friendly to the installation of the tubes when it was proposed to install them. We looked up to see whether there was any law to authorize the installation, and we found that the law was specific as to the authority for the installation and we came under the law, except that the law provided a limit of \$17,000 a mile. The committee reported in favor of installing the tubes at a rate of \$17,000 a mile and the House increased it to \$18,500 a mile.

Mr. BLACK. Mr. Chairman, I think the point of order made by the gentleman from Kentucky is clearly good. It must be remembered that these pneumatic tubes do not belong to the Government of the United States and were not constructed by it. Of course, if they had been they would have had to be constructed under authority of law, and the Post Office Department would unquestionably now have the right to continue to operate them. The section to which the point of order is made refers to the act of 1902, and I want to call attention to the language of that act:

And the Postmaster General is authorized to enter into contracts for a period not exceeding four years after publishing advertisements once a week for a period of six consecutive weeks in not less than five newspapers—

And so forth.

Now, it was recognized by the framers of that language which I have just quoted that the mere carrying of the appropriation in the bill then under consideration would not make it authority for it to be carried in some subsequent bill. So Congress gave the Postmaster General authority to make a four-year contract. It was not desired to enter upon a new service for just one year.

Mr. MADDEN. It was afterwards changed to 10 years.

Mr. BLACK. I was going to refer to that in a moment. At the expiration of the act of 1902 the act of 1908 was passed, to which reference was just made, and I will not take the time to read that act because it provides in substance the same thing as is provided in the act of 1902, except that it authorized the Postmaster General to make the contracts for a period of 10 years. That period has expired. It seems to me that no one can contend that the act of 1902, limited as it was for four years, is now the law. No one can contend that the act of 1908, limited as it was for 10 years, is now existing law. That is water which has gone over the wheel.

The only authority for starting this service again is carried in an appropriation bill for the current fiscal year. If the Chair will look at the language therein contained he will find that it does not authorize any contract for the future, but simply makes an appropriation to install this service for the current year. Now comes the committee with an appropriation in the present bill and repeats the language of the bill of last year, and I hold under the precedents of the House that the point of order is well taken.

It seems to me the proposition is virtually the same as the one in reference to the aircraft appropriation. The Post Office appropriation bill had carried an appropriation for the aircraft service for two or three years, and the gentleman from Kansas [Mr. TINCER] made a point of order against the appropriation upon the ground that aircraft mail service was not authorized by existing law. It was contended in the debate upon that point of order—I recollect the gentleman from Minnesota [Mr. STEENERSON], who was then and now is chairman of the Committee on the Post Office and Post Roads—argued to the Chair that the appropriation was in order because it was a continuation of a public work. The Chair in sustaining the point of order makes the following statement, found on page 1584 of the RECORD, second session, Sixty-sixth Congress:

The point of order is made to the language beginning "Provided further," in line 20, down to and including the word "determine," in line 25, on page 14. The Chair finds on examination of the previous act that in 1917 the Postmaster General was authorized to expend not exceeding \$100,000 for the purchase, operation, and maintenance of airplanes for experimental purposes, and furthermore, in the act of May 10, 1918, the Postmaster General, in his discretion, was authorized to require the payment of postage on mail carried by airplane at not exceeding 24 cents an ounce or fraction thereof.

Here is the meat of the decision:

The fact that the establishment of this particular class of service was provided for in an appropriation bill and may have been continued in another appropriation bill or the succeeding year would not, in the opinion of the Chair, be a sufficient justification for the claim that it would not be subject to a point of order, if the point of order be made. In the view of the Chair the Post Office Department is not authorized by any existing law to establish as a permanent class of service of carriage of mail by airplane. The commission to which the gentleman from Minnesota referred provided for the carrying of mail on all post routes, but that would not provide for carrying the mail through the air.

Now, the Chair sustained the point of order in that case on the ground that the existing law was not broad enough to include transportation by airplane, and that it was not a continuation of a "public work" merely because two or three appropriation bills had carried a similar appropriation for prior years.

That is the contention that we make on this point of order. Because the law of 1902 authorized the Postmaster General to enter into a contract for four years, and because in 1908 a similar law was passed authorizing him to enter into contracts for 10 years would not be authority for him to enter into a new contract at the present time.

Mr. REED of West Virginia. Were these previous appropriations for this service for a temporary period, at the time subject to the point of order the same as this, and was the point of order made?

Mr. BLACK. No. For example, any appropriation made during the life of the act of 1908 would not have been subject to a point of order, because anyone making it would have been at once referred to the act of 1908.

Mr. REED of West Virginia. Which came from another committee?

Mr. BLACK. Yes; from the legislative committee, which specifically authorized the Postmaster General to do the thing that he was doing; and the appropriation would therefore be in order.

Mr. MADDEN. The gentleman from Texas would not deny the fact that the contract pursuant to the act of 1902 has been entered into?

Mr. BLACK. But they have expired.

Mr. MADDEN. Oh, no. It is a work in progress.

Mr. BLACK. The gentleman would not contend that under the act of 1902 the Postmaster General entered into a contract for a longer period than for four years?

Mr. MADDEN. The contract was entered into within the last year.

Mr. BLACK. But that was entered into under the appropriation act, which was only for the current year.

Mr. MADDEN. Pursuant to the act of 1902.

Mr. BLACK. Oh, no; not at all; because it does not so recite.

Mr. MADDEN. And 1908 also.

Mr. BLACK. If the Chair will hear me also on the proviso, the proviso is clearly legislation upon an appropriation bill. There is no act now that governs the Postmaster General in the making of these contracts. The act of 1902 existed for only four years. The act of 1908 existed for 10 years. These acts went out of existence with the expiration of that period of time. This provision provides as an affirmative fact that these acts shall be reenacted and govern the provisions of contract made under the appropriation voted in the bill, except those provisions of the acts of 1902 and 1908 which conflict with the limitation of \$18,500 a mile now carried in this bill. That would in effect be repealing the existing law of 1902 and 1908, which, if it does exist, limits the contract price to \$17,500, and to repeal a law and increase the amount for service is new legislation. There can be no question about that. If the contention of the gentleman from Illinois [Mr. MADDEN] is correct, that the act of 1902 and the act of 1908 still govern, containing the limitation of \$17,500, then unquestionably the proviso in this bill is new legislation, because it repeals the former limitation of \$17,000 per mile and raises it to \$18,500. In either event it seems to me the point of order will have to be sustained, because it is new legislation.

Mr. TEMPLE. Mr. Chairman, I call attention of the Chair to a paragraph in the act of 1902, which I think the gentleman who has just taken his seat has probably overlooked. After making provision that the Postmaster General may enter into contracts we find the following:

That the Postmaster General shall not, prior to January 30, 1904, enter into contracts under the provisions of this act involving an annual expenditure in the aggregate in excess of \$800,000, and that thereunder only such contracts shall be made as may from time to time be provided in the annual appropriation act for the Postal Service.

Contracts were to be limited to four years, but there was no limit of four years on the life of the law. Also, I call attention to the fact that the appropriation item pending in the present bill now before us is for the carrying out of the contract which was entered into for a period of 10 years, because in 1908 the 4-year period for contracts was extended so that the Postmaster General might make a contract for 10 years. The item now pending is an appropriation to carry out a contract already entered into for a period of 10 years and is in conformity with the act. The limitation of four years about which the gentleman has been speaking is a limitation upon the term for which the contract might be made, not a limitation at all upon the life of the law. That limitation of four years was changed by the act of 1908, which gave the Postmaster General authority to enter into a contract for 10 years, and in the language of the act of 1902—

only such contracts as may from time to time be provided for in the annual appropriation act for the Postal Service.

So that if the appropriation act now pending provided for a new contract, that amount of legislation in the appropriation bill is already provided for in existing law.

Mr. BLACK. Mr. Chairman, just one more suggestion and I am through. If the contention of the gentleman from Pennsylvania [Mr. TEMPLE] is correct, there would not have been

any necessity for enacting the law of 1908, which authorized the Postmaster General to contract for a period of 10 years.

Mr. TEMPLE. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. TEMPLE. The exact necessity for it was that the act of 1902 authorized that contracts should run for only four years. We found that was not enough, and in 1908 we made a change of law which authorized the Postmaster General to make contracts that would run for 10 years. That was the precise reason for passing the act of 1908.

Mr. BLACK. I understood the gentleman to contend that the provision of law which he read was a general provision and provided an indeterminate time for this service.

Mr. TEMPLE. Not for the service. It put a limit of four years on the time that the contract might be in effect, but there is no limit on the life of the law.

Mr. BLACK. Well, the contention that I make is that the law has to be read as a whole, and the fact it limits the authority to a four-year contract is conclusive evidence that it was the intent of the Congress that the authority should not extend any longer than four years. Now, I make this further point, if the Chair permits, that even if the gentleman from Pennsylvania [Mr. TEMPLE] is right in his contention, nevertheless this paragraph is subject to the point of order because the proviso is clearly legislation. Now let me read the provision here in the law of 1902:

No contract shall be made in any city providing for 3 miles or more of double lines of tubes which shall involve an expenditure in excess of \$17,000 per mile per annum, and said compensation shall cover power, labor, and all operating expenses.

The language in the present bill authorizes the Postmaster General to provide for \$18,500 a mile, and further says that the provisions in this act of 1902 shall govern the Postmaster General in the making of all of these contracts except where it is inconsistent with the provisions of the language in the present bill. Now, of course, the inconsistency that it refers to is very clear, and that is the \$17,000 limitation in the act of 1902 and it removes that limitation and makes a contract for \$18,500 a mile permissible. Now, it seems to me that if the contention of these gentlemen is true, to the effect that the act of 1902 is still in existence, why, then, this bill would be clearly repealing a part of the language of the act of 1902, and to repeal part of a law is legislation. That is the contention that I make.

The CHAIRMAN. Do gentlemen care to be heard any further? The Chair is ready to rule.

The Chair doubts whether it is necessary for the Chair to express his opinion on the first part of the section. It is plain to the mind of the Chair that the act of 1902 is still in existence, still a valid enactment. The Chair believes that the language, to which attention was called by the gentleman from Pennsylvania [Mr. TEMPLE]—

and thereafter only such contracts shall be made as from time to time are provided for in a new appropriation act for the Postal Service—

is permanent law and makes it possible at any time for the Congress to exercise its discretion as to that particular subject matter. The Chair has looked at these other acts, and while that particular act provided for four-year contracts it was evident that at that time the Congress was of the opinion this was the period for which such contracts should properly extend. In the act of 1908 first an appropriation was made and then authority was given to extend contracts for periods of 10 years, and following in the act of 1916, in a similar portion of the act, an appropriation of \$976,000 was made and the Postmaster General was authorized to extend existing contracts until March 4, 1917. There was some subsequent legislation on that subject; among other things a commission was appointed to investigate the matter and make report on or before March 4, 1918. But in every instance the Chair believes Congress was exercising a power that it still has; a power to make appropriations for the pneumatic-tube service under the original act of 1902, which has never been repealed, either expressly or by implication.

But the gentleman from Texas [Mr. BLACK] urges the proposition that the proviso is legislation. The Chair thinks it is. The Chair can not escape the reasoning which the gentleman from Texas urges as to the proviso, and therefore the point of order is sustained.

Mr. SLEMP. Mr. Chairman, I offer an amendment. It is the same paragraph without the proviso.

The CHAIRMAN. The gentleman from Virginia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SLEMP: Page 19, line 23, strike out: "For the transmission of mail by pneumatic tubes or other similar devices in the city of New York, including the Borough of

Brooklyn of the city of New York, at an annual rate of expenditure not in excess of \$18,500 per mile of double line of tubes, including power, labor, and all other operating expenses, \$513,911.50."

Mr. BLACK. Mr. Chairman, I make a point of order against the amendment on the ground that it is legislation upon an appropriation bill. I understand the viewpoint of the Chair, as recently stated in the decision, and do not take issue with the Chair when he rules that a simple appropriation would be in order. But this limitation, which authorizes the Postmaster General to enter into contracts of \$18,500 per mile, is a provision that would repeal the limitation in the law of 1902, which limits it to \$17,000 per mile, and it would clearly be legislation, because if that amendment is passed then the Postmaster General would be permitted to go out and contract at \$18,500 per mile instead of being limited to the present law, which requires not to exceed \$17,000 per mile.

Mr. MADDEN. Mr. Chairman, we have no argument to present on this side.

The CHAIRMAN. If the Chair is correctly advised, that the act of 1902 is permanent legislation, then the provision of that act applies. That provision is:

No contract shall be made in any city providing for 3 miles or more of double lines of tube which shall involve an expenditure in excess of \$17,000 per mile per annum, and said compensation shall cover power, labor, and all operating expenses.

The Chair assumes that the kind of service that is to be rendered under this bill is the same kind of service as is mentioned in the section just read. If that is true, a limitation of \$17,000 per mile is made by the substantive law. This bill makes a limit possible of \$18,500. Surely that changes the law itself and is legislation. The Chair therefore sustains the point of order.

Mr. SLEMP. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Virginia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SLEMP: Page 19, after line 22, insert: "For the transmission of mail by pneumatic tubes or other similar devices in the city of New York, including the Borough of Brooklyn of the city of New York, including power, labor, and all other operating expenses, \$513,911.50."

Mr. CHANDLER of New York. Mr. Chairman, I just want to occupy a few minutes in discussing the amendment.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. CHANDLER of New York. Mr. Chairman, I am in favor of the amendment offered by my colleague from Virginia [Mr. SLEMP].

I am delighted that the Chair overruled the objection of the gentleman from Texas [Mr. BLACK]. This ruling simplifies matters greatly.

I favor the pending amendment, because it provides for a pneumatic-tube system for New York City and furnishes a better postal service for the metropolis, which means better postal facilities for the entire country and, in a sense, for the whole world.

The voting of the appropriation provided by this amendment is a matter of absolute good faith and business integrity, since the contract for a pneumatic-tube service in New York has already been made, and a suitable appropriation to carry out the contract is absolutely necessary unless the Government is to default in its agreement.

Mr. Chairman, the discussions and dissensions of recent years on the floor of this House concerning pneumatic tubes have almost invariably been caused by the question of economy. It has rarely been denied that pneumatic tubes furnish a better and more expeditious service. It has simply been contended that the truck system furnishes a more economical way of moving mail in New York City. There seems to be no truth in this contention. Indeed, the very opposite seems true. Admitting, however, for the sake of argument, that the system of truck transportation is more economical, it can not be reasonably denied that the small amount of money saved by the trucking of mail is inconsiderable, even insignificant, when compared with the decided advantage and the better service of the pneumatic-tube method. It is all very well to cultivate economy in the administration of public affairs, but it is not wise to destroy efficient government in the name of economy. There is such a thing as being penny-wise and pound-foolish.

What we need in New York City especially, and in the country generally, is a postal service which is characterized at once by safety, certainty, and speed. To secure such a service we can afford to expend a little extra money.

The longer I stay in this House, Mr. Chairman, the more respect I have for facts and figures and the less for declamation and rhetoric. I am coming to believe that an ounce of logic is worth a ton of eloquence. These considerations compel me to submit at once a statement of facts and figures, based upon reports of Postmaster Morgan of New York and of Fourth Assistant Postmaster General Billany of the Government, demonstrating that the pneumatic-tube system is not only more expeditious but more economical as well. I respectfully request your careful consideration of the following statement of facts and figures:

The contract entered into with the New York Pneumatic Service Co. on October 2, 1922, after advertising for bids as provided by law, covers 27.41 miles of double tubes at \$18,500 per mile—a total annual charge of \$507,085.

Miles of double tubes placed in operation Oct. 2, 1922 16.5633  
 Miles of double tubes to be placed in operation Jan. 1, 1923 10.1567  
 Miles of double tubes to be placed in operation May 1, 1923 .69

Total 27.41

Size of containers, 6½ by 21 inches (inside measurements); capacity of containers, 550 average-size short letters or 400 mixed sizes, long and short.

Average number of average-size letters carried in a container during tube hours (4 a. m. to 11 p. m.), 200.

Number of postal points to be connected with tubes (2 of these are the main office at New York and the main office at Brooklyn) 25

Number of points connected with the tube system Oct. 2, 1922 16

Number of points to be connected with tube system Jan. 1, 1923 8

Number of points to be connected with tube system May 1, 1923 1

Total 25

Tests made November 14 and December 8 furnishes information as follows:

Number of letters originating at New York and Brooklyn 5,807,629

Number of letters received from outside points for local delivery at New York, including main office in Brooklyn 3,594,933

Grand total of letters handled in New York, including main office, Brooklyn 9,402,562

Letters handled by tubes (16,490 original containers of 200 letters each) 3,298,000

Letters transported by trucks 6,104,562

Grand total letters handled 9,402,562

Based on service performed by 60.43 per cent of tubes in operation, the number of letters handled by complete system will be 5,457,554

Weight of mail received and dispatched at New York, including mail at main office, Brooklyn, received and dispatched through New York postal points or railroad stations 8,444,270 pounds

Weight of letter mail only 188,051 do

Per cent of weight of letter mail only 2.23

Weight of letters transmitted by pneumatic tubes (50 letters to the pound) 65,960 pounds

Per cent of weight of mail (all classes) carried by tubes 0.781

Per cent of letters (weight) transmitted through tubes in operation 35.10

Per cent of letters (weight) handled by tubes when system complete 57.50

Pieces of mail handled per day.

Letters 9,402,562  
 Other mail 6,597,438

Grand total 16,000,000

Convoy service.

Hours.

Prior to the reestablishment of tube service, the time of laborers and carriers utilized daily in conveying registered mail amounted to 490

Since the reestablishment of 60.43 per cent of the tube service, the convoy time used per day amounts to 326

Total daily saving 164

\* \* \* \* \*

SAVING EFFECTED IN EXPENSE OF VEHICLE SERVICE.

Twenty-one trucks and forty-four chauffeurs have been released from duty since the reopening of 60.43 per cent of the tube system. The immediate saving is at the rate of \$113,311. Ultimately this saving will amount to \$131,898 a year.

\* \* \* \* \*

The number of operations required in dispatching mail by tubes and by motor trucks is the same—12 each—and the time is approximately the same.

\* \* \* \* \*

Seventeen thousand special-delivery letters are handled per day, nearly all of which are transmitted through the tube to the station nearest point of delivery. Since the establishment of tube service "specials" are collected from letter "drops" every 10 minutes instead of every 30 minutes, as was the case when motor-truck service was in operation.

REGISTERED MAIL DISPATCHED BY TUBES.

The percentage of registered mail dispatched from tube stations via pneumatic tubes varies from 25 to 94 per cent of the total number of registers handled, the percentage at the more important stations being as follows:

Per cent.

General post office, New York 54  
 City Hall station 25  
 Grand Central station 80  
 Times Square station 60  
 Wall Street station 37

\* \* \* \* \*

RELATIVE SPEED OF TRUCKS AND PNEUMATIC TUBES.

Station P to Grand Central station: Truck time, 1 hour 16 minutes; tube time, 19 minutes.

Station P to general post office: Truck time, 1 hour 14 minutes; tube time, 15 minutes.

\* \* \* \* \*

EFFECT OF THE TUBE SERVICE ON OUTGOING MAIL.

Boston and New York, 266—leaving 4.25 p. m.:  
 Closing time when transported by motor truck, 3.07 p. m.  
 Closing time—the time of dispatch of last tube container—3.36 p. m.

New York and Ohio, 35—leaving at 9.20 p. m.:  
 Closing time when transported by motor truck, 8.24 p. m.  
 Closing time—the time of dispatch of last tube container—8.36 p. m.

It is estimated that 500,000 letters per day are advanced in delivery as a result of operation of tubes.

These facts and figures, Mr. Chairman, speak more eloquently and convincingly than mere words. They prove beyond doubt the superior advantage of the tube system from the viewpoint of both economy and speed. Only a caviling critic, after considering them, remains unconvinced.

Nevertheless, the gentleman from Texas [Mr. BLANTON] talks about "the waste and extravagance connected with this proposition," and proclaims the shibboleth of sectionalism in a manner quite characteristic of his provincial statesmanship, or rather of his petty politics. He grows vehement in his denunciation of my advocacy of this amendment and can explain my attitude only on the ground, as he emphatically states, that I am a New York Representative and that the people of my district and of all New York favor the pending measure.

Quite naturally I favor what the people of my district and the people of New York desire. They have commissioned me to represent them and their interests, as well as the interests of the whole country, and it is my duty to be faithful to the trust reposed. My primary duty is to them and their interests.

Nevertheless, I have refused and now refuse to conform my public conduct to narrow sectional lines or to strictly partisan demands. The Republic means more to me than any State, and the entire flag than any single star upon its folds.

I have no desire whatever, my colleagues, to enter upon a sectional controversy in this House, from which sectionalism should be forever banished. Nevertheless, facts should be stated and the truth should be told, if the heavens fall.

It can not be truthfully denied that there is now and has been for years a deep-set determination on the part of certain Representatives from the West and South to discriminate unfairly against the East in general and New York especially in the matter of taxation and expenditures. This determination is all the more unworthy since it insists upon placing upon the State of New York the chief burden of Federal taxation in general matters relating to the welfare of the Republic, and at the same time refuses to allow to the Empire State any trifling local advantage that may call for an outlay of a few hundred thousand dollars from the Federal Treasury. The spirit that prompts this determination is not only narrow and sectional but contemptible and short-sighted as well.

The records of the Treasury Department show that the single State of New York furnishes more than one-third (33½ per cent) of all Federal revenues for all purposes whatsoever. The Metropolitan district of New York is the chief contributor of the revenues needed to maintain the Agricultural Department whose benefits accrue chiefly to the rural sections of the country. New Yorkers are called upon to foot the bills when we appropriate moneys by the hundreds of millions in the various rivers and harbors schemes designed to irrigate Southern and Western streams, the greater number of which should be filled in, macadamized, and used as highways.

You gentlemen from the South and West never make any objection when we pay these bills uncomplainingly for you, but when we ask you to help create and maintain a pneumatic tube system that is of primary benefit to the people of New York, but is certainly also of great secondary benefit to the balance of the country, you raise the cry of sectionalism.

The ludicrous feature of the whole controversy is the contention that the pneumatic tube system calls for an expenditure of public money from the Federal Treasury for the benefit locally of New York City. Nothing could be farther from the truth than this contention. The fact of the matter is that whatever benefits the people of New York City in an appropriation of this kind benefits the people of every State and of all the world.

Please do not forget, gentlemen of the House, that New York City is not local. Remember that it is in more ways than one—in its location by the sea, in the millions and character of its population, in magnitude of its municipal budget, in its strangely complex and varied branches of government, philanthropy, and charity, in its multitudinous phases of life—in all these ways New York City is both national and international.

From the farthest ends of the earth contributions have been made to the citizenship of New York. Every State of the American Union has contributed those among its bravest and best to the making of the population of this magnificent city by the sea. Your friends and relatives, my colleagues, and the friends and relatives of your constituents are residents and citizens of this great city, and whatever benefits the people of New York benefits those nearest and dearest to you and yours.

The statement which I have just submitted shows that on November 14, 1922, 9,402,562 letters were handled by the post office of Greater New York. Of these, 5,807,629 originated in New York and were sent to other points in the city or forwarded to places outside, to localities domestic or foreign. The remainder, numbering 3,594,933 letters, were received from points outside of New York.

Is it not reasonable, gentlemen of the House, to suppose that of these more than 3,000,000 letters that came from the outside on one day into New York City at least 2,000,000 of them were from people of the various States to friends, relatives, and business correspondents in the city? Is it not also reasonable to suppose that of the 5,807,629 that originated in New York City, at least 2,000,000 were answers to letters coming from the States? Then is it not also mathematically correct to say that 4,000,000 letters a day approximately represent the medium of postal exchange in matters of friendship, love, and business between citizens of the States and of the metropolis of the Republic?

If these various suppositions are true, what ground is there for sectional controversy in this House with reference to the establishment of a pneumatic tube service for New York City, in which facts and figures show with almost mathematical exactness that all the people of our country have a common interest?

My final plea to you, my colleagues, is to stifle party prejudice, destroy sectional bias, be patriots and statesmen, and pass this amendment without delay.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment. I do not see how any Member of Congress who has read the minority report of our colleague from Kentucky [Mr. ROUSE] on this subject could vote for this amendment.

Of course, I realize the present excruciating necessity of our friend from New York [Mr. CHANDLER] getting this amendment through. I know what it means to him. I would be the last man to stand in the way of his coming back. I know that it would be the open sesame to him back into the halls of Congress, because New York voters, Republicans and Democrats alike, vote for the man who can bring home the bacon, and this amendment is bringing home the bacon for New York.

Mr. CHANDLER of New York. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from New York.

Mr. CHANDLER of New York. If the gentleman will take my word for it I will say that if he will look in the CONGRESSIONAL RECORD of former years he will find that when I was not immediately a candidate I favored the same thing, and the gentleman ought to retract his ungenerous suggestion of political ambitions.

Mr. BLANTON. If it did not take all this money out of the Treasury I would not object to it.

Mr. CHANDLER of New York. I have been consistently in favor of the pneumatic-tube service.

Mr. BLANTON. Sure; because the gentleman is a New Yorker, and he could not be a New Yorker without being consistently for this amendment; but I am going back to the minority report written by the distinguished gentleman from Kentucky [Mr. ROUSE]. Read it and you will see where United States mail has been lost in these tubes for I do not know how long before it was found.

Read all about the waste and extravagance connected with this proposition. And we can not forget the expensive lobby that was maintained here all through the year 1918 trying to push this over again onto the American people. We can not forget that, and the gentleman from New York does not forget it. We remember the contest here in the House. I remember that it was argued here pro and con, and when it came to a vote it was a tie, so many for and an equal number against, and our late lamented good friend who was then presiding, and who always resolved a doubt in favor of a measure, voted in the affirmative and broke the tie, and that is the way it was carried. But I say we ought not to put it again into this bill here on this particular Saturday afternoon with only 25 Members present. We ought not to do it on a controverted issue of this character. I am sorry that the chairman of this committee, who represents the administration, has been so persistent in fighting against the results of the points of order made by my colleague from Texas [Mr. BLACK]. As fast as one point of order was sustained the ingenuity of the gentleman from Virginia would immediately get around it by offering another amendment that would still bring about the desired result.

Mr. SLEMP. Will the gentleman yield for a suggestion?

Mr. BLANTON. I yield to the gentleman from Virginia.

Mr. SLEMP. Last year this matter came before the House and before our committee, and I opposed it.

Mr. BLANTON. Why does not the gentleman oppose it now?

Mr. SLEMP. Just a moment. Let me make my statement. I am in the midst of a statement.

Mr. BLANTON. I want to be courteous to the gentleman.

Mr. SLEMP. It was put in in the Senate—

Mr. BLANTON. And therefore, q. e. d., the House ought to put it back every time.

Mr. SLEMP. I want to finish my statement.

Mr. BLANTON. Yes.

Mr. SLEMP. It was brought back here and agreed to on the floor of the House. I do not know whether the gentleman was here or not.

Mr. BLANTON. I was here fighting it then just like I am fighting it now.

Mr. SLEMP. At any rate it was put in. Now, since that time and under authority granted by Congress, contracts have been entered into by the Postmaster General, and here is an appropriation to carry out that contract.

Mr. BLANTON. Is the gentleman in favor of this proposition?

Mr. SLEMP. I am in favor of carrying out the contract that Congress authorized the Postmaster General to make, and that he made under authority of Congress.

Mr. BLANTON. But the gentleman is not in favor of this proposition.

Mr. SLEMP. I have stated my position on that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. SLEMP].

The question being taken, on a division (demanded by Mr. BLANTON) there were—ayes 26, noes 10.

Accordingly the amendment was agreed to.

Mr. BLANTON. If there were enough men here to order tellers I would ask for them.

The CHAIRMAN. The amendment is agreed to.

Mr. CHANDLER of New York. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Chairman, I make the same request.

The CHAIRMAN. The gentleman from Mississippi makes the same request. Is there objection?

There was no objection.

Mr. ROUSE. Mr. Chairman, I make the same request.

The CHAIRMAN. The gentleman from Kentucky makes the same request. Is there objection?

There was no objection.

The Clerk resumed and completed the reading of the bill.

Mr. SLEMP. Mr. Chairman, I move that the committee do now rise and report the bill to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GRAHAM of Illinois, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the Post Office appropriation bill, H. R. 13593, had instructed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. ANDREWS of Nebraska. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on this bill.

The SPEAKER. The gentleman from Nebraska asks unanimous consent to extend his remarks in the RECORD on this bill. Is there objection?

There was no objection.

#### ADJOURNMENT UNTIL WEDNESDAY.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet on Wednesday next.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that when the House adjourns to-day it adjourn to meet on Wednesday next. Is there objection?

There was no objection.

#### ADJOURNMENT.

Mr. MONDELL. I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 14 minutes p. m.) the House adjourned until Wednesday, January 3, 1923, at 12 o'clock noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

857. A communication from the President of the United States transmitting, with a letter from the Director of the Bureau of the Budget, a supplemental estimate of appropriation for the Navy Department for the fiscal year ending June 30, 1923, for modernization of battleships (H. Doc. No. 521); to the Committee on Appropriations.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. BUTLER: Committee on Naval Affairs. S. 32. An act for the relief of contractors, subcontractors, and material men who have suffered loss by reason of Government orders; with amendments (Rept. No. 1321). Referred to the Committee of the Whole House on the state of the Union.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. CRAGO: Committee on Military Affairs. S. 834. An act to authorize the appointment of an ordnance storekeeper in the Army; without amendment (Rept. No. 1320). Referred to the Committee of the Whole House.

Mr. BUTLER: Committee on Naval Affairs. H. R. 11738. A bill for the relief of Maj. Russell B. Putnam; without amendment (Rept. No. 1322). Referred to the Committee of the Whole House.

#### PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MADDEN: A bill (H. R. 13615) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1923, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes; committed to the Committee on the Whole House on the state of the Union.

By Mr. COPLEY: A bill (H. R. 13616) granting the consent of Congress to the highway commissioner of the town of Elgin, Kane County, Ill., to construct, maintain, and operate a bridge across the Fox River; to the Committee on Interstate and Foreign Commerce.

By Mr. FOCHT: A bill (H. R. 13617) to dissolve the Colored Union Benevolent Association, and for other purposes; to the Committee on the District of Columbia.

By Mr. CABLE: A resolution (H. Res. 476) to perfect procedure at ports of entry in examining arriving immigrants; to the Committee on Immigration and Naturalization.

#### PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND of Virginia: A bill (H. R. 13618) to provide for an examination and survey of Pungoteague Creek, Accomac County, Va., and of the channel connecting said creek with Chesapeake Bay, Va.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 13619) to provide for an examination and survey of Nandua Creek, Accomac County, Va., and of the channel connecting said creek with Chesapeake Bay, Va.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 13620) to provide for an examination and survey of Occohannock Creek, Northampton County, Va., and of the channel connecting said creek with Chesapeake Bay, Va.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 13621) to provide for an examination and survey of Horn Harbor, Mathews County, Va., and of the channel connecting the said harbor with Chesapeake Bay, Va.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 13622) to provide for the examination and survey of Mathews Creek, Mathews County, Va., and of the channel connecting the said creek with East River, Mathews County, Va.; to the Committee on Rivers and Harbors.

By Mr. GOULD: A bill (H. R. 13623) granting a pension to Joseph Ham; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13624) granting an increase of pension to Corydon W. Clark; to the Committee on Pensions.

By Mr. OLDFIELD: A bill (H. R. 13625) providing for the examination and survey of Spring River, Ark.; to the Committee on Rivers and Harbors.

By Mr. ROBSION: A bill (H. R. 13626) granting a pension to Mournin Scott; to the Committee on Pensions.

By Mr. THOMAS: A bill (H. R. 13627) granting a pension to Henry T. Bishop; to the Committee on Pensions.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

6713. By Mr. FOCHT: Petition of sundry citizens of the State of Pennsylvania, to abolish discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6714. By Mr. LEA of California: Petition of 56 citizens of California, protesting against the passage of the Sunday observance bills; to the Committee on the District of Columbia.

6715. By Mr. RADCLIFFE: Petition of sundry citizens of New Jersey, concerning the joint resolution to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

6716. By Mr. STEENERSON: Petition of the National Conference of State Manufacturers' Associations, relative to immigration bill and favoring selective immigration; to the Committee on Immigration and Naturalization.

6717. Also, petition of C. H. Dahlstrom et al., Parkers Prairie, Minn., requesting legislation to stabilize the price of farm products; to the Committee on Agriculture.

6718. Also, petition of the Marckel Co., Perham, Minn., to abolish discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

6719. By Mr. TEMPLE: Petition of American citizens of Ukrainian origin, assembled on December 17 at Carnegie, Pa.,

relating to conditions in East Galicia; to the Committee on Foreign Affairs.

6720. Also, petition of Washington Presbytery, Washington, Pa., urging the passage at an early date of Senate bill 4092, for the purpose of giving asylum to Turkish refugees; to the Committee on Immigration and Naturalization.

6721. By Mr. TIMBERLAKE: Resolution from the General Henry W. Lawton Camp, No. 1, United Spanish War Veterans, Denver, Colo., relative to the unjust attitude of the Bureau of Pensions in construing liberally the provisions of the Sells Act granting pensions to the veterans of the Spanish-American War; to the Committee on Pensions.

6722. By Mr. VARE: Petition of the Philadelphia Board of Trade, indorsing the administration of Attorney General Daugherty; to the Committee on the Judiciary.

## SENATE.

WEDNESDAY, January 3, 1923.

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, we bless Thee this morning that notwithstanding the passage of the years Thou art the same yesterday, to-day, and forever. Looking unto Thee as we enter upon the duties of the new year, we ask for wisdom, we ask for strength of purpose, and such conviction of right and of responsibility that the days as they come and go may reveal to us more and more that along the untrodden pathways we are divinely guided and helped. Bless all for whom we shall pray this morning who bear burdens for State and for Nation, and may great grace be our portion. Through Jesus Christ, our Lord. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Wednesday, December 27, 1922, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

### CALL OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	McCormick	Robinson
Ball	George	McCumber	Sheppard
Bayard	Hale	McKellar	Smoot
Borah	Harrell	McLean	Spencer
Brookhart	Harris	McNary	Stanfield
Bursum	Harrison	Myers	Sterling
Calder	Heflin	Nelson	Sutherland
Cameron	Hitchcock	New	Townsend
Capper	Johnson	Nicholson	Trammell
Caraway	Jones, N. Mex.	Norbeck	Underwood
Colt	Jones, Wash.	Norris	Wadsworth
Couzens	Kellogg	Oddie	Walsh, Mass.
Culberson	Kendrick	Overman	Walsh, Mont.
Curtis	King	Pepper	Warren
Dial	Ladd	Phipps	Watson
Dillingham	La Follette	Pittman	Weller
Elkins	Lenroot	Pomerene	
Ernst	Lodge	Ransdell	

Mr. CURTIS. I wish to announce that the Senator from Ohio [Mr. WILLIS] is necessarily detained because of illness in his family.

The VICE PRESIDENT. Seventy Senators have answered to their names. A quorum is present.

### REPORT OF THE FEDERAL POWER COMMISSION.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, chairman of the Federal Power Commission, transmitting, pursuant to law, the second annual report of the Federal Power Commission for the fiscal year ended June 30, 1922, containing information relative to permits and licenses issued under the Federal water power act, which was referred to the Committee on Commerce.

### REINTERMENT OF SOLDIER DEAD.

The VICE PRESIDENT laid before the Senate a communication from the Quartermaster General of the Army, transmitting a list of American soldier dead returned from overseas to be reinterred in the Arlington National Cemetery Thursday, January 4, 1923, at 2.30 p. m., which was ordered to lie on the table for the information of the Senate.

### SENATOR FROM CALIFORNIA.

The VICE PRESIDENT laid before the Senate the credentials of HIRAM W. JOHNSON, chosen a Senator of the United States from the State of California, which were read and ordered to be placed on file, as follows:

STATE OF CALIFORNIA,  
Executive Department.

To all to whom these presents shall come, greeting:

Know ye that whereas it appears from the statement of the vote made by the secretary of state, and filed in his office, a copy of which has been transmitted to this office, that at the general election held on Tuesday, the 7th day of November, A. D. 1922, in this State HIRAM W. JOHNSON received the highest number of votes cast for the office of United States Senator.

Now, therefore, I, William D. Stephens, as Governor of the State of California, in the name and by the authority of the people of the State of California, do hereby commission him, the said HIRAM W. JOHNSON, United States Senator from the State of California.

In testimony whereof I have hereunto set my hand and caused the great seal of the State to be affixed at the city of Sacramento this the 18th day of December, A. D. 1922.

[SEAL.]  
By the governor:

WM. D. STEPHENS, Governor.

FRANK C. JORDAN, Secretary of State.

### PETITIONS AND MEMORIALS.

Mr. ROBINSON presented a telegram in the nature of a memorial from Oliver C. Fuller, chairman special committee on taxation of the American Bankers' Association, protesting against the passage of the so-called Kellogg bill relative to taxes on national banks by States, and urging that no immediate legislation be adopted placing banking capital in a separate class for unlimited taxation and that whatever legislation may be passed contain no clause ratifying past illegal taxation, which was referred to the Committee on Banking and Currency.

Mr. CAPPER presented a petition of the Rural Letter Carriers' Association, of Cherokee County, Kans., praying for the passage of legislation providing a maintenance allowance of \$600 per year for rural carriers, etc., which was referred to the Committee on Post Offices and Post Roads.

Mr. TOWNSEND presented a petition of sundry citizens of Lawrence and Hartford, in the State of Michigan, praying for the passage of legislation providing an adequate rural-credit system, etc., which was ordered to lie on the table.

Mr. WARREN presented a petition of sundry citizens of Dubois and Dunois, in the State of Wyoming, praying for the passage of legislation placing third-class postmasters under civil-service rules and regulations, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted by the board of directors of the Thermopolis (Wyo.) National Farm Loan Association, favoring the passage of legislation amending certain sections of the Federal farm loan act, especially relative to the present loan limit, which was referred to the Committee on Banking and Currency.

Mr. KENDRICK presented resolutions adopted by the boards of directors of the National Farm Loan Associations of Lost Springs, Cokeville, and Thermopolis, in the State of Wyoming, favoring the passage of legislation amending certain sections of the Federal farm loan act, especially relative to the present loan limit, which were referred to the Committee on Banking and Currency.

Mr. LADD presented the petition of Rev. J. Fontana and 23 other citizens of New Salem, N. Dak., praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which was referred to the Committee on Foreign Relations.

He also presented the petition of Ed Olson and 24 other citizens of Ryder, N. Dak., praying for the enactment of legislation stabilizing the prices of farm products, which was referred to the Committee on Agriculture and Forestry.

### BRIDGE ACROSS TUG FORK OF BIG SANDY RIVER.

Mr. CALDER. From the Committee on Commerce I report back favorably, with an amendment, the bill (H. R. 12473) granting the consent of Congress to the Wynco Block Coal Co., a corporation, to construct a bridge across the Tug Fork of Big Sandy River, in Mingo County, W. Va., and I submit a report (No. 967) thereon. I ask unanimous consent for the present consideration of the bill.

Mr. UNDERWOOD. May I ask the Senator a question? The only reason why I ask the question is that the other day we thought we were passing an ordinary bridge bill, but we found later that it was something else. Is this just an ordinary bridge bill?

Mr. CALDER. I can assure the Senator that the four bills which I am authorized to report are ordinary bridge bills.

There being no objection, the bill was considered as in Committee of the Whole.

The amendment was, on page 1, line 3, to strike out "Wynco" and insert "Winco," so as to make the bill read:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to the Winco Block Coal Co., a corporation, its successors and assigns, to construct, maintain, and operate a suspension or foot bridge, and approaches thereto, across the Tug Fork of Big Sandy River, at a point